

Government-Wide Support

STATE OF HAWAII

PROGRAM TITLE:

GOVERNMENT-WIDE SUPPORT**VARIANCE REPORT**

REPORT V61

11/24/03

PROGRAM-ID:

PROGRAM STRUCTURE NO: **11**

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES												
OPERATING COSTS												
POSITIONS	1,666.0	1,530.0	- 136.0	8	1,692.0	1,547.0	- 145.0	9	1,692.0	1,660.0	- 32.0	2
EXPENDITURES	1,649,944	1,633,393	- 16,551	1	267,980	270,547	2,567	1	939,154	925,942	- 13,212	1
TOTAL COSTS												
POSITIONS	1,666.0	1,530.0	- 136.0	8	1,692.0	1,547.0	- 145.0	9	1,692.0	1,660.0	- 32.0	2
EXPENDITURES	1,649,944	1,633,393	- 16,551	1	267,980	270,547	2,567	1	939,154	925,942	- 13,212	1
					FISCAL YEAR 2002-03				FISCAL YEAR 2003-04			
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
PART II: MEASURES OF EFFECTIVENESS												
1. AV ANNUAL RATE OF RETURN ON INVESTMENTS					2.8	3.28			2.89	2.77		
2. AV # OF WORKING DAYS TO ISSUE REFUND CHECK					30	31	+	1	30	30		

VARIANCE REPORT NARRATIVE
FY 03 and FY 04

PROGRAM TITLE: GOVERNMENT-WIDE SUPPORT

11

Part I - EXPENDITURES AND POSITIONS

The position variance in the Government-Wide Support Program area for FY 03 can be attributed to position vacancies resulting from normal attrition, and fiscal restraints.

The position variance for the first quarter of FY 04 is due to vacancies. The expenditure variance for the last three quarters of FY 04 is primarily due to reduced debt service requirements.

Part II - MEASURES OF EFFECTIVENESS

See lowest level programs for explanation of variances.

STATE OF HAWAII

PROGRAM TITLE:

EXEC DIRECTN, COORD, & POLICY DEVELOPMENT

PROGRAM-ID:

PROGRAM STRUCTURE NO: 1101

VARIANCE REPORT

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04						
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%			
PART I: EXPENDITURES & POSITIONS															
RESEARCH & DEVELOPMENT COSTS															
POSITIONS															
EXPENDITURES															
OPERATING COSTS															
POSITIONS	149.0	136.0	-	13.0	9	149.0	137.0	-	12.0	8	149.0	145.0	-	4.0	3
EXPENDITURES	304,007	301,578	-	2,429	1	75,483	80,043	4,560	6	6	247,133	262,523	15,390	6	
TOTAL COSTS															
POSITIONS	149.0	136.0	-	13.0	9	149.0	137.0	-	12.0	8	149.0	145.0	-	4.0	3
EXPENDITURES	304,007	301,578	-	2,429	1	75,483	80,043	4,560	6	6	247,133	262,523	15,390	6	
					FISCAL YEAR 2002-03				FISCAL YEAR 2003-04						
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%			
PART II: MEASURES OF EFFECTIVENESS															
1. NO OF REG VTRS WHO VTE AS % OF REG VOTERS					57	57									

**Intermediate Level Program
No Narrative
(See Lowest Level Programs for Explanation of Variances)**

STATE OF HAWAII

PROGRAM TITLE:

PROGRAM-ID:

PROGRAM STRUCTURE NO: 110101

OFFICE OF THE GOVERNOR
GOV - 100

VARIANCE REPORT

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04						
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%			
<u>PART I: EXPENDITURES & POSITIONS</u>															
RESEARCH & DEVELOPMENT COSTS															
POSITIONS															
EXPENDITURES															
OPERATING COSTS															
POSITIONS	35.0	33.0	-	2.0	6	34.0	33.0	-	1.0	3	34.0	33.0	-	1.0	3
EXPENDITURES	2,122	3,496	1,374	65	721	701	-	20	3	2,349	2,369	20	1		
TOTAL COSTS															
POSITIONS	35.0	33.0	-	2.0	6	34.0	33.0	-	1.0	3	34.0	33.0	-	1.0	3
EXPENDITURES	2,122	3,496	1,374	65	721	701	-	20	3	2,349	2,369	20	1		

VARIANCE REPORT NARRATIVE
FY 03 and FY04

PROGRAM TITLE: Office of the Governor

11 01 01
GOV 100

PART I – EXPENDITURES AND POSITIONS

The position vacancy in FY 2003 and the first quarter of FY 2004 are due to delays in hiring and positions being re-described. Variance in expenditures for FY 2003 are due to the Emergency Appropriation, transfer of funds from GOV102, Allotment Advice #03-0223, and fund transfer from BUF101 for vacation payouts totaling \$1,448,000. Expenditures were under budgeted amount due to the receipt date of the Emergency Appropriation.

In the first quarter of FY 2004, our expenditures were lower than our budgeted amount due to reorganization of departments, positions being re-described and delays in budgeted expenses due to re-organizational activities. This will result in increased expenditures in the last three quarters.

PART II – MEASURE OF EFFECTIVENESS

Not applicable.

PART III – PROGRAM TARGET GROUPS

Not applicable.

PART IV – PROGRAM ACTIVITIES

The office continues to focus on providing leadership and executive management to State programs. The priorities of the administration are improving education, strengthening the economy, modernizing State government, and preserving Hawaii's environment and unique way of life.

STATE OF HAWAII

PROGRAM TITLE:

PROGRAM-ID:

PROGRAM STRUCTURE NO: 110102

OFFICE OF THE LIEUTENANT GOVERNOR

LTG - 100

VARIANCE REPORT

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS POSITIONS EXPENDITURES												
OPERATING COSTS POSITIONS EXPENDITURES	3.0 637	3.0 673	36	6	3.0 147	3.0 127	- 20	14	3.0 440	3.0 460	20	5
TOTAL COSTS POSITIONS EXPENDITURES	3.0 637	3.0 673	36	6	3.0 147	3.0 127	- 20	14	3.0 440	3.0 460	20	5
					FISCAL YEAR 2002-03				FISCAL YEAR 2003-04			
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
PART II: MEASURES OF EFFECTIVENESS												
1. TTL REV FRM SALES AS % OF COST OF PUBLICATION					80	80			80	80		
PART III: PROGRAM TARGET GROUP												
1. TOTAL DE FACTO POPULATION (000)					1,367	1,367			1,415	1,415		
PART IV: PROGRAM ACTIVITIES												
1. NO. OF APPLCNTS FOR CHANGE OF NAMES BY INDIVIDUAL					1,100	1,100			1,100	1,100		
2. # REQ FOR HRS, SESS LAWS, SUPPL (000)					1.5	1.5			1.5	1.5		

VARIANCE REPORT NARRATIVE
FY 03 and FY 04

PROGRAM TITLE: Office of the Lieutenant Governor

11 01 02
LTG 100

Part I – EXPENDITURES AND POSITIONS

No variance in positions. The variance between the actual expenditures and the budget for the 1st quarter of fiscal year end 2004 is not deemed to be significant and is the result of deferred expenditures to the 2nd quarter of fiscal year end 2004 and cost cutting measures implemented in the Office of the Lieutenant Governor.

Part III – PROGRAM TARGET GROUPS

No variance.

Part II – MEASURES OF EFFECTIVENESS

No variance.

Part IV – PROGRAM ACTIVITIES

No variance.

STATE OF HAWAII

PROGRAM TITLE:

POLICY DEVELOPMENT & COORDINATION

PROGRAM-ID:

PROGRAM STRUCTURE NO: **110103****VARIANCE REPORT**

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04					
	BUDGETED	ACTUAL	± CHANGE		%	BUDGETED	ACTUAL	± CHANGE		%	BUDGETED	ESTIMATED	± CHANGE	
<u>PART I: EXPENDITURES & POSITIONS</u>														
RESEARCH & DEVELOPMENT COSTS														
POSITIONS														
EXPENDITURES														
OPERATING COSTS														
POSITIONS														
EXPENDITURES														
TOTAL COSTS														
POSITIONS														
EXPENDITURES														
=====														

Intermediate Level Program
No Narrative
(See Lowest Level Programs for Explanation of Variances)

STATE OF HAWAII

PROGRAM TITLE:

PROGRAM-ID:

PROGRAM STRUCTURE NO: 11010301

VARIANCE REPORT

OTHER POLICY DEVELOPMENT & COORDINATION

GOV - 102

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES												
OPERATING COSTS												
POSITIONS	3.0	3.0			3.0	3.0			3.0	3.0		
EXPENDITURES	225	204	-	21	58	57	-	1	167	168	1	1
TOTAL COSTS												
POSITIONS	3.0	3.0			3.0	3.0			3.0	3.0		
EXPENDITURES	225	204	-	21	58	57	-	1	167	168	1	1

VARIANCE REPORT NARRATIVE
FY 03 and FY04

PROGRAM TITLE: Other Policy and Development & Coordination

11 01 03 01
GOV 102

PART I – EXPENDITURES AND POSITIONS

Variance in expenditures for FY 2003 are due internal restrictions imposed pending receipt of Emergency Appropriation resulting in unspent funds.

PART III – PROGRAM TARGET GROUPS

Not applicable.

PART II – MEASURE OF EFFECTIVENESS

Not applicable.

PART IV – PROGRAM ACTIVITIES

The office continues to focus on providing leadership and executive management to State programs. The priorities of the administration are improving education, strengthening the economy, modernizing State government, and preserving Hawaii's environment and unique way of life.

STATE OF HAWAII

PROGRAM TITLE:

STATEWIDE PLANNING & COORDINATION

PROGRAM-ID:

BED - 144

PROGRAM STRUCTURE NO: 11010302

VARIANCE REPORT

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04						
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%			
PART I: EXPENDITURES & POSITIONS															
RESEARCH & DEVELOPMENT COSTS															
POSITIONS															
EXPENDITURES															
OPERATING COSTS															
POSITIONS	24.0	22.0	-	2.0	8	24.0	21.0	-	3.0	13	24.0	22.0	-	2.0	8
EXPENDITURES	2,627	3,396		769	29	1,714	1,537	-	177	10	2,031	2,018	-	13	1
TOTAL COSTS															
POSITIONS	24.0	22.0	-	2.0	8	24.0	21.0	-	3.0	13	24.0	22.0	-	2.0	8
EXPENDITURES	2,627	3,396		769	29	1,714	1,537	-	177	10	2,031	2,018	-	13	1
					FISCAL YEAR 2002-03				FISCAL YEAR 2003-04						
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%			
PART II: MEASURES OF EFFECTIVENESS															
1. # OF PLANS/STUDIES PREPARED IN TIMELY MANNER					2	2			2	2					
2. #LUC DECISIONS UPHLDG OP POS AS %TOT LUC DECSNS					90		-	90	100	95	100	+	5	5	
3. # ACRES INVOLVED IN LUC DECISIONS SPRTG OP POSTN					1,500		-	1,500	100	2,000	2,430	+	430	22	
4. # RVIWS OF FED ACTIV PROPSD/CONDUCTD IN CZM AREA					30	38	+	8	27	30	40	+	10	33	
5. #STATE/CNTY PROGS AIMG TO ATTN OBJ OF CZM PROG					386	386				386	386				
PART III: PROGRAM TARGET GROUP															
1. STATE RESIDENT POPULATION (THOUSANDS)					1,211	1,211				1,262	1,262				
2. NO. OF APPLICANTS FOR FEDERAL PERMITS & LICENSES					50	39	-	11	22	50	40	-	10	20	
3. NUMBER OF APPLICANTS FOR LAND USE REVIEWS					7	5	-	2	29	8	8				
PART IV: PROGRAM ACTIVITIES															
1. # SPECIAL PLANS/PLNGG REPORTS DEVELOPED/REVIEWED					6	6				4	6	+	2	50	
2. # OF COUNTY GENERAL & DEV PLANS/AMENDMTS REVUED					50	30	-	20	40	50	40	-	10	20	
3. # LAND USE BOUNDARY CHANGE PETITIONS PROCESSED					7	2	-	5	71	10	8	-	2	20	
4. # STATE POSN STATEMTS PREP FOR LU BOUNDRY CHG PETS					7	2	-	5	71	8	8				
5. NUMBER OF FEDERAL CONSISTENCY REVIEWS					80	77	-	3	4	80	80				
6. STATE PERMITS/APPROVALS REVIEWED BY CZM PROGRAM					503	1,133	+	630	125	500	1,133	+	633	127	

VARIANCE REPORT NARRATIVE
FY 03 and FY 04

11 01 03 02
BED 144

PROGRAM TITLE: Statewide Planning & Coordination

Part I – EXPENDITURES AND POSITIONS

The FY 2004 actual and estimated positions reflect the transfer of one position to BED 142.

Operating cost FY2002-03. The Office of Planning (OP) expenditure variance resulted primarily from (1) an increased Federal grant authorization of \$1,323,000 for the Coastal Zone Management (CZM); (2) collective bargaining augmentation of \$213,567; (3)\$79,763 program restriction.

Operating cost FY2003-04. The variance is due primarily to (1) increase in Federal grant authorization of \$1,286,702 for the Coastal Zone Management (CZM); (2) transfer of funds to BED 142; and (3) Act 178, SLH 2003 repealed the Geographic Information System Special Fund.

Part II – MEASURES OF EFFECTIVENESS

Items 2 & 3. During FY2002-03, the Land Use Commission (LUC) did not issued Decision and Orders for District Boundary Amendments (LUDBA). For FY2003-04, OP estimates that it will be successful on 100% of its recommendations for approximately 2,429.856 acres.

Item 4. Increase due to more federal projects and federally sponsored activities.

Part III – PROGRAM TARGET GROUPS

Item 2. The decrease is due to less construction and activities requiring federal permits, particularly the Department of Army Permit.

Item 3. The decrease is due to the residual effects of September 11, 2001.

Part IV – PROGRAM ACTIVITIES

Item 1. Estimate additional planning reports being supported with an increase in Federal grant authorization.

Items 2, 3 & 4. Same as Part III, Item 3.

Item 5. The decrease is due to the number of federal permit activity.

Item 6. The increase/decreases in permit activity are a reflection of the economy.

STATE OF HAWAII

PROGRAM TITLE:

STATEWIDE LAND USE MANAGEMENT

PROGRAM-ID:

BED - 103

PROGRAM STRUCTURE NO: 11010303

VARIANCE REPORT

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES												
OPERATING COSTS												
POSITIONS	7.0	5.0	-	2.0	29	7.0	5.0	-	2.0	29	7.0	6.0
EXPENDITURES	398	406	8	2	86	85	1	1	341	342	1	14
TOTAL COSTS												
POSITIONS	7.0	5.0	-	2.0	29	7.0	5.0	-	2.0	29	7.0	6.0
EXPENDITURES	398	406	8	2	86	85	1	1	341	342	1	14
					FISCAL YEAR 2002-03				FISCAL YEAR 2003-04			
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
PART II: MEASURES OF EFFECTIVENESS												
1. NUMBER OF ACRES REVIEWED FOR RECLASSIFICATION					1,500	833	-	667	44	1,500	1,500	
2. NUMBER OF ACRES REVIEWED FOR SPECIAL PERMIT					300	123	-	177	59	300	200	100
PART III: PROGRAM TARGET GROUP												
1. APPLICANTS FOR LAND USE REVIEW					1,040	822	-	218	21	1,018	823	195
PART IV: PROGRAM ACTIVITIES												
1. LAND USE BOUNDARY CHANGE PETITIONS PROCESSED					10	5	-	5	50	3	10	7
2. SPECIAL PERMIT APPLICS PROCESSED					5	2	-	3	60	5	3	2
3. LAND USE BOUNDARY INTERPRET - REQUESTS PROCESSED					1,000	807	-	193	19	1,000	800	200
4. MOTIONS PROCESSED					25	8	-	17	68	10	10	20

VARIANCE REPORT NARRATIVE
FY 03 and FY 04

11 01 03 03
BED 103

PROGRAM TITLE: Statewide Land Use Management

Part I – EXPENDITURES AND POSITIONS

The Land Use Commission (LUC) has 7.0 FTE authorized. In November of 2002, Position # 26364 accepted inter-agency transfer. While the LUC has actively pursued approval for recruitment, the position has remained vacant until November 3, 2003. A qualified internal applicant has been selected for this position. The other position (#27497) was vacated in April 2003 due to retirement.

Part II – MEASURES OF EFFECTIVENESS

The actual acreage reviewed and reclassified in FY 2003 (833 acres) indicates a 44% variance in the planned acreage. In FY 2003, various applicants which had earlier indicated that they would be seeking relief from the LUC, chose not to file petitions. This variance (both in the number of applicants and the acreage sought for reclassification) is beyond the control of the LUC and will likely be reflected in increased activities during FY 2004.

Special permit processing is by law initiated at the County levels. During FY 03, the Maui County Planning Commission and County Council has established significant backlogs in the number of land use proposals still pending county regulatory review. Without appropriate county processing, special permit applications before the LUC will lag.

Part III – PROGRAM TARGET GROUPS

The actual data for FY 03 is 822. This reflects a variance of 21%. The variance is attributable to a drop in the number of boundary interpretations processed by the LUC. This trend is due in part to the development of the LUC website and is expected in part to continue into FY 04.

Part IV – PROGRAM ACTIVITIES

During FY 03, due to conditions beyond the control of the LUC, there was a drop in the number of petitions before the LUC. However, there has been every indication, that there will be a significant and corresponding spike in the number of applications brought before the LUC in FY 04. The continuing backlog of land use applications created in Maui and Hawaii County will likely continue to influence the reduction in special permit applications that make their way to the LUC. The further development and refinement of the LUC web site will likely continue to serve the information needs but not replace the specific services provided by staff. While there has been a 68% drop in the number of motions processed by the LUC in FY 03, there are certain indications, that this number will return (if not exceed) to their historic levels in FY 04.

PROGRAM STRUCTURE NO: 11010304

VARIANCE REPORT

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04						
	BUDGETED	ACTUAL	±	CHANGE	%	BUDGETED	ACTUAL	±	CHANGE	%	BUDGETED	ESTIMATED	±	CHANGE	%
PART I: EXPENDITURES & POSITIONS															
RESEARCH & DEVELOPMENT COSTS															
POSITIONS															
EXPENDITURES															
OPERATING COSTS															
POSITIONS															
EXPENDITURES															
TOTAL COSTS															
POSITIONS															
EXPENDITURES															

Variance Report Narrative
FY 03 and FY 04

11 01 03 04
BED 130

PROGRAM TITLE: Economic Planning and Research

Part I – EXPENDITURES AND POSITIONS

No significant variance.

Part II – MEASURES OF EFFECTIVENESS

- Item 1. The 47 percent increase in the number of requests for analysis is due to the increased calls received from the media and others.
- Item 2. The 33 percent increase in publications produced is due to the increase in the amount of new tourism data produced by the program.

Part III – PROGRAM TARGET GROUP

- Item 1. The 72 percent growth of users of the DBEDT Library, Hawaii State Data Center and website was due in part to the increased amount of information placed on DBEDT's web site and the increase in usage of the internet to obtain information. In the beginning of FY 2004 access to the Web site was over 1 million per month.

Part IV – PROGRAM ACTIVITIES

- Item 6. The long-run forecast was delayed to FY04 due in part to the late receipt of a special computer run from the U.S. Census Bureau on the military and dependents in Hawaii.
- Item 7. The 20 percent increase in economic impact analyses conducted was due to the Iraq War and SARS.
- Item 9. The 50 percent decrease in the number of GSP accounts is due to reduced resources and increased interest in county level economic impacts with resources being placed in the development of better county level data for the economic models maintained by the program.

STATE OF HAWAII

PROGRAM TITLE:

PROGRAM-ID:

PROGRAM STRUCTURE NO:

PROGRAM PLANNING, ANALYSIS AND BUDGETING**BUF - 101****11010305****VARIANCE REPORT**

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES												
OPERATING COSTS												
POSITIONS	49.0	45.0	-	4.0	8	50.0	46.0	-	4.0	8	50.0	50.0
EXPENDITURES	288,885	286,632	-	2,253	1	72,157	76,951	-	4,794	7	237,299	252,561
											15,262	6
TOTAL COSTS												
POSITIONS	49.0	45.0	-	4.0	8	50.0	46.0	-	4.0	8	50.0	50.0
EXPENDITURES	288,885	286,632	-	2,253	1	72,157	76,951	-	4,794	7	237,299	252,561
											15,262	6
PART III: PROGRAM TARGET GROUP												
1. GOVERNOR AND EXECUTIVE AGENCIES					20	20			20	20		
PART IV: PROGRAM ACTIVITIES												
1. # DEPT PROGRAM PLANS REVIEWED & PROCESSED					251	250	-	1	180	180		
2. # PROGRAM BUDGET REQUESTS REVIEWED & PROCESSED					700	700			220	220		
3. # PROGRAM MEMORANDA PREPARED					11	11						
4. # VARIANCE REPORTS REVIEWED & PROCESSED					251	250	-	1	251	250	-	1
5. # EXPEND PLANS & ALLOTMENT REQUESTS PROCESSED					3,300	3,256	-	44	1	3,200	3,200	
6. # REFERRALS PROCESSED					1,300	2,030	+	730	56	1,300	1,300	
7. NO. LEG PROPOSALS REVIEWED FOR GOVERNOR					300	65	-	235	78	300	250	-
8. # BILLS PASSED BY LEGISLATURE REVIEWED FOR GOV					300	250	-	50	17	300	300	50
9. # REORG PROPOSALS REVIEWED & PROCESSED					20	15	-	5	25	20	20	17
10. # CIP ALLOTMT REQ REVIEWED & PROCESSED					90	510	+	420	467	90	250	160
												178

Variance Report Narrative
FY 03 and FY 04

11 01 03 05

PROGRAM TITLE: BUDGET, PROGRAM PLANNING, AND MANAGEMENT

BUF 101

Part I - EXPENDITURES AND POSITIONS

FY 2002-03

Variance in expenditures and positions during FY 03 were primarily due to vacant positions, collective bargaining allocations, and lower than anticipated expenditures for attorney and witness fees, and health fund premiums.

FY 2003-04

The program is working to fill its vacant positions by the fiscal year end. For the remainder of FY 04, expenditures exceed budgeted amounts due to collective bargaining allocation for the employer's share of health benefit premiums. The program anticipates to expend its other budgeted operating funds as planned.

Part III - PROGRAM TARGET GROUPS ,

FY 2002-03 and FY 2003-04

No variance.

IV - PROGRAM ACTIVITIES

Items 6 and 7. Variances in FY 03 in the number of referrals processed and the number of legislative proposals reviewed for the Governor reflects the transition between the old and the new administration. FY 04 also reflects an anticipated reduction in the number of legislative proposals reviewed for the Governor.

Items 8 and 9. Variances in the number of bills passed by Legislature reviewed for the Governor and the number of reorganization proposals reviewed and processed reflect the unpredictability of the variables for these program activities. Item 10. Variances in FY 03 reflects the impact of Executive Memorandum No. 03-01 dated January 6, 2003, that amended the CIP allotment procedures by requiring that all CIP allotment requests must be submitted to the Governor through B&F. During the first half of FY 03, Executive Memorandum No. 99-01 allowed departments to submit requests to allot CIP funds directly to the Governor, except for county projects

STATE OF HAWAII

PROGRAM TITLE:

CAMPAIGN SPENDING COMMISSION

PROGRAM-ID:

AGS - 871

PROGRAM STRUCTURE NO: 11010306

VARIANCE REPORT

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES												
OPERATING COSTS												
POSITIONS	4.0	4.0			4.0	4.0			4.0	4.0		
EXPENDITURES	4,400	1,089	- 3,311	75	104	104			291	375	84	29
TOTAL COSTS												
POSITIONS	4.0	4.0			4.0	4.0			4.0	4.0		
EXPENDITURES	4,400	1,089	- 3,311	75	104	104			291	375	84	29
					FISCAL YEAR 2002-03				FISCAL YEAR 2003-04			
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
PART II: MEASURES OF EFFECTIVENESS												
1. REPORTS FILED IN TIMELY & ACCURATE MANNER					95	2,000	+ 1,905	5	100	2,000	+ 1,900	900
PART III: PROGRAM TARGET GROUP												
1. # CANDIDATES FOR STATE & COUNTY PUBLIC OFFICES					500	400	- 100	20	500	500		
2. NUMBER OF NON-CANDIDATE COMMITTEES					800	700	- 100	13	1,000	1,000		
PART IV: PROGRAM ACTIVITIES												
1. # ADVISORY OPINIONS & DECLARATORY ORDERS ISSUED					600	600			600	600		
2. # REQUESTS FOR SPENDING * CONTRIB REPORTS					1,500	1,500			2,000	2,000		
3. # REPORTS RECEIVED AND REVIEWED					4,500	4,500			1,000	1,000		

VARIANCE REPORT NARRATIVE
FY 03 and FY 04

11 01 03 06

PROGRAM TITLE: Campaign Spending Commission

AGS 871

PART I - EXPENDITURES AND POSITIONS

Expenditures are higher due to increased investigation costs and developmental costs of computerization. Variance between the budgeted and actual expenditures is attributable to lower than allocated disbursements for matching funds.

Variance between budgeted and actual expenditures for FY 2003-2004 is due to increased salaries and benefits and the transfer in of \$85,000 to cover salaries and benefits and expenditures.

PART II - MEASURES OF EFFECTIVENESS

1. Reports that are filed are more consistently timely and accurate due to education, and
2. More reports are being filed in a timely and manner due to enforcement.

PART III - PROGRAM TARGET GROUP

Number of non-candidate committees has not increased although there is an increase in number of registrations. Many inactive committees are terminating registration, therefore, total numbers have remained level. No variance is anticipated in FY 2003-2004

PART IV - PROGRAM ACTIVITIES

The need to improve program effectiveness depends largely on the extent of applying information technology to reporting of contributions and expenditures by committees to the public. Increased attention has been given to applying technology to the responsibilities of the Commission. No variance is anticipated in FY 2003-2004.

PROGRAM STRUCTURE NO:

11010307

VARIANCE REPORT

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04						
	BUDGETED	ACTUAL	±	CHANGE	%	BUDGETED	ACTUAL	±	CHANGE	%	BUDGETED	ESTIMATED	±	CHANGE	%
PART I: EXPENDITURES & POSITIONS															
RESEARCH & DEVELOPMENT COSTS															
POSITIONS															
EXPENDITURES															
OPERATING COSTS															
POSITIONS															
EXPENDITURES															
TOTAL COSTS															
POSITIONS															
EXPENDITURES															
	4.0	3.0	-	1.0	25	4.0	3.0	-	1.0	25	4.0	4.0			
	2,601	3,521		920	35	208	208				2,275	2,275			
	4.0	3.0	-	1.0	25	4.0	3.0	-	1.0	25	4.0	4.0			
	2,601	3,521		920	35	208	208				2,275	2,275			
						FISCAL YEAR 2002-03				FISCAL YEAR 2003-04					
						PLANNED	ACTUAL	±	CHANGE	%	PLANNED	ESTIMATED	±	CHANGE	%
PART II: MEASURES OF EFFECTIVENESS															
1. # ELIG PERSONS REGIS AS % TOTAL ELIG TO VOTE						88	82	-	6	7	80	82	+	2	3
2. # REG VOTERS WHO VOTE AS % OF REGISTERED VOTERS						57	57								
3. # COMPLAINTS & CHALLENGES TO ELECTION SYSTEM															
4. # COMPLAINTS FILED & RESLVD AS % TOT COMPL RECD						100	100				100	100			
PART III: PROGRAM TARGET GROUP															
1. # INDIVIDUALS ELIGIBLE TO VOTE (000'S)						1,002	829	-	173	17	1,002	829	-	173	17
PART IV: PROGRAM ACTIVITIES															
1. PRVD VTR REGIS SVCS TO QUAL CITIZENS (000'S)						38	38				83	73	-	10	12
2. PROVIDE VOTER EDUCATION SERVICES (000'S)						351	351				1	26	+	25	500
3. PROVIDE VOTER ORIENTATION TO NTRLZD CITIS (000'S)						1	2	+	1	100	1	2	+	1	100

**VARIANCE REPORT NARRATIVE
FY 03 and 04**

11 01 03 07
AGS 879

PROGRAM TITLE: Office of Elections

Part I - EXPENDITURES AND POSITIONS

Line 4, FY 03 - Variance due to transfer of funds to conduct two special elections (November 30, 2002 and January 4, 2003).

Part III - PROGRAM TARGET GROUP

FY 03 & FY 04 – Variance attributed to error in previous estimate.

Part II - MEASURES OF EFFECTIVENESS

No significant variance.

Part IV - PROGRAM ACTIVITIES

Line 2, FY 04 – Variance due to underestimation in previous estimate.

Line 3, FY 03 and FY 04 - Variance due to increase in staff attendance to naturalized citizen ceremony to register people to vote.

STATE OF HAWAII

PROGRAM TITLE:

FISCAL MANAGEMENT

PROGRAM-ID:

PROGRAM STRUCTURE NO: 1102

VARIANCE REPORT

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04						
	BUDGETED	ACTUAL	±	CHANGE	%	BUDGETED	ACTUAL	±	CHANGE	%	BUDGETED	ESTIMATED	±	CHANGE	%
PART I: EXPENDITURES & POSITIONS															
RESEARCH & DEVELOPMENT COSTS															
POSITIONS															
EXPENDITURES															
OPERATING COSTS															
POSITIONS															
EXPENDITURES															
TOTAL COSTS															
POSITIONS															
EXPENDITURES															
	403.0	391.0	-	12.0	3	404.0	393.0	-	11.0	3	404.0	399.0	-	5.0	1
	458,933	457,120	-	1,813		76,074	76,074				310,572	283,670	-	26,902	9
	403.0	391.0	-	12.0	3	404.0	393.0	-	11.0	3	404.0	399.0	-	5.0	1
	458,933	457,120	-	1,813		76,074	76,074				310,572	283,670	-	26,902	9
						FISCAL YEAR 2002-03				FISCAL YEAR 2003-04					
						PLANNED	ACTUAL	±	CHANGE	%	PLANNED	ESTIMATED	±	CHANGE	%
PART II: MEASURES OF EFFECTIVENESS															
1. AV ANNUAL RATE OF RETURN ON INVESTMENTS						2.8	3.28				2.89	2.77			
2. AV TIME BETW AUDITS(YRS)-INTERNAL-AUDIT PROG						4	4				5	5			
3. % RETURNS OFFICE AUDITED RESULTING IN ADJUSTMENTS						80	84.3	+	4	5	80	80			
4. % RETURNS FIELD AUDITED RESULTING IN ADJUSTMENTS						80	72.7	-	7	9	80	80			
5. AV # OF WORKING DAYS TO ISSUE REFUND CHECK						30	31	+	1	3	30	30			

**Intermediate Level Program
No Narrative
(See Lowest Level Programs for Explanation of Variances)**

STATE OF HAWAII

PROGRAM TITLE:

REVENUE COLLECTION

PROGRAM-ID:

PROGRAM STRUCTURE NO: **110201****VARIANCE REPORT**

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES												
OPERATING COSTS												
POSITIONS	330.0	330.0			332.0	332.0			332.0	332.0		
EXPENDITURES	16,670	17,632	962	6	3,170	3,170			23,744	23,744		
TOTAL COSTS												
POSITIONS	330.0	330.0			332.0	332.0			332.0	332.0		
EXPENDITURES	16,670	17,632	962	6	3,170	3,170			23,744	23,744		
					FISCAL YEAR 2002-03				FISCAL YEAR 2003-04			
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
PART II: MEASURES OF EFFECTIVENESS												
1. % RETURNS OFFICE AUDITED RESULTING IN ADJUSTMENTS					80	84.3	+	4	5	80	80	
2. % RETURNS FIELD AUDITED RESULTING IN ADJUSTMENTS					80	72.7	-	7	9	80	80	
3. AV # OF WORKING DAYS TO ISSUE REFUND CHECK					30	31	+	1	3	30	30	

Intermediate Level Program
No Narrative
(See Lowest Level Programs for Explanation of Variances)

STATE OF HAWAII

PROGRAM TITLE:

INCOME ASSESSMENT AND AUDIT

PROGRAM-ID:

TAX - 102

PROGRAM STRUCTURE NO: 11020101

VARIANCE REPORT

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04				
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%	
PART I: EXPENDITURES & POSITIONS													
RESEARCH & DEVELOPMENT COSTS													
POSITIONS													
EXPENDITURES													
OPERATING COSTS													
POSITIONS													
EXPENDITURES													
TOTAL COSTS													
POSITIONS													
EXPENDITURES													
					FISCAL YEAR 2002-03				FISCAL YEAR 2003-04				
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%	
PART II: MEASURES OF EFFECTIVENESS					0.3	0.5			0.3	0.3			
1. # RETURNS OFFICE AUDITED AS % RETURNS FILED					80	84.3	+	4	5	80	80		
2. % RETURNS OFFICE AUDITED RESULTING IN ADJUSTMENTS					0.4	0.4			0.4	0.4			
3. # RETURNS FIELD AUDITED AS % OF RETURNS FILED					80	72.7	-	7	9	80	80		
4. % RETURNS FIELD AUDITED RESULTING IN ADJUSTMENTS					60	69.2	+	9	15	60	75	+	15
5. % APPEALED ASSESSMTS UPHOLDING STATE'S POSITIONS					20	23	+	3	15	20	20		25
6. AV # OF WORKING DAYS TO CORRECT RETURNS IN EH													
PART III: PROGRAM TARGET GROUP					315,000	481,000	+	166,000	53	315,000	490,000	+	175,000
1. NO. ACTIVE BUSINESS LICENSES DURING THE FISC YEAR					636,000	859,000	+	223,000	35	636,000	870,000	+	234,000
2. # NET INCOME & GE ANNUAL RETURNS FILED IN FISC YR													
PART IV: PROGRAM ACTIVITIES					3,000	4,361	+	1,361	45	3,000	3,500	+	500
1. NUMBER OF RETURNS OFFICE AUDITED					3,570	3,048	-	522	15	3,570	3,500	-	70
2. NUMBER OF RETURNS FIELD AUDITED					50	65.7	+	15	30	50	70	+	20
3. TOTAL AMOUNT OF ASSESSMENTS MADE					5	46.4	+	41	820	5	7	+	2
4. TOTAL NUMBER OF COLLECTIONS MADE W/ ASSESSMENTS					95,000	125,914	+	30,914	33	95,000	115,000	+	20,000
5. NUMBER OF RETURNS CORRECTED THRU EH PROCESS													

**Variance Report Narrative
FY 03 and FY 04**

11 02 01 01

PROGRAM TITLE: Income Assessment and Audit

TAX 102

PART I - EXPENDITURES AND POSITIONS

PART III - PROGRAM TARGET GROUP

1. This variance was primarily due to a substantial underestimation of the population for this target group.
2. The variance was partly caused by the expansion of the definition for net income tax returns to include corporations, partnerships and fiduciaries.

PART II - MEASURES OF EFFECTIVENESS

There are no significant variances in this section.

PART IV - PROGRAM ACTIVITIES

1. The variance was due to the substantial effort made by the staff to increase the number of returns examined.
2. The variance was the result of fewer audits being completed by the staff.
3. This variance was the result of numerous large assessments made by the auditing staff.
4. The variance created by the taxpayers' acceptance and payment of several significantly large audit assessments.
5. This variance was due to several reasons which included forms design, error processing and timely contact.

PROGRAM STRUCTURE NO: 11020102

11020102

11/24/03

682

**Variance Report Narrative
FY 03 and FY 04**

11 02 01 02
TAX 103

PROGRAM TITLE: Tax Collections-Enforcement

PART I - EXPENDITURES AND POSITIONS

PART II - MEASURES OF EFFECTIVENESS

1. The variance in this measurement was the result of receiving substantial dollar amounts in delinquent referrals.
2. This variance was the result of not submitting uncollectible write-offs in a timely fashion for approval.
3. This variance was due to a smaller increase in the total delinquent balance than originally estimated.
4. The variance in this measurement was due to the large number of delinquent accounts referred during the year.
5. Data for this measurement could not be extracted from the department's ITIMS collection system.

PART III - PROGRAM TARGET GROUP

1. This positive variance was primarily due to the substantial closures in delinquencies made during the fiscal year.
2. The variance was partly due to the substantial increase in the number of payment plans initiated which prolongs the life of the individual delinquency.

PART IV - PROGRAM ACTIVITIES

1. The substantial increase in cash collections was due to the effective timeliness of the ICS system which focused on current delinquencies.
2. This variance was the result of not submitting uncollectible write-offs in a timely fashion for approval.
3. The variance was partially due to the substantial increase in payment plans instituted which results in delinquent accounts taking longer to be resolved.
5. This variance was caused by the department's policy to liberalize its payment plan program.
6. The variance was caused by the substantial increase in the number of payment plans initiated.

PROGRAM TITLE:

PROGRAM-ID:

PROGRAM STRUCTURE NO:

VARIANCE REPORT

REPORT Y61

11/24/03

TAX SERVICES & PROCESSING

TAX - 105

11020103

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS POSITIONS EXPENDITURES												
OPERATING COSTS POSITIONS EXPENDITURES	97.5 4,899	97.5 5,134			88.5 578	88.5 578			88.5 4,303	88.5 4,303		
TOTAL COSTS POSITIONS EXPENDITURES	97.5 4,899	97.5 5,134	235	5	88.5 578	88.5 578			88.5 4,303	88.5 4,303		
					FISCAL YEAR 2002-03				FISCAL YEAR 2003-04			
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
PART II: MEASURES OF EFFECTIVENESS												
1. % OF TIME MAIL OPENED & DISTRIB W/IN 24 HRS					75	71	- 4	5	75	75		
2. % OF TIME MONIES DEPOSITED WITHIN 48 HRS					75	71	- 4	5	75	75		
3. % OF TIME DEADLNS MET FOR ACCT & STAT REPORTS					100	100			100	100		
4. AV LENGTH OF TIME TO ISSUE REFUND CHECK					30	31	+ 1	3	30	30		
5. % OF TIME TELEPHONE CALLS ANSWERED					40	33	- 7	18	40	40		
6. % OF TIME CORRESPONDENCE ANSWERED WITHIN 10 DAYS					70	69	- 1	1	70	70		
7. % OF TAXPAYERS REQUESTING PERSONAL SERVICE					6	5	- 1	17	6	5	- 1	17
PART III: PROGRAM TARGET GROUP												
1. NO OF RETURNS WITH REMITTANCES					1,420,000	1,283,600	- 136,400	10	1,430,000	1,380,000	- 50,000	4
2. NO OF RETURNS REQUESTING REFUNDS					445,000	466,000	+ 21,000	5	445,000	455,000	+ 10,000	2
3. TOTAL NO OF TAXPAYERS FILING RETURNS					1,105,000	1,058,826	- 46,174	4	1,115,000	1,115,000		
4. NO. OF TAXPAYERS DOING BUSINESS					450,000	481,239	+ 31,239	7	452,000	460,000	+ 8,000	2
PART IV: PROGRAM ACTIVITIES												
1. PIECES OF MAIL(IN THOUSANDS)					2,500	2,553	+ 53	2	2,500	2,500		
2. # OF ELECTRONICALLY FILED RETURNS (THOUSANDS)					120	131	+ 11	9	130	140	+ 10	8
3. NO. OF TELEPHONE CALLS RECEIVED (THOUSANDS)					130	163	+ 33	25	130	160	+ 30	23
4. NO. OF CORRESPONDENCE RECEIVED (THOUSANDS)					69	55	- 14	20	69	65	- 4	6
5. # OF TAXPYRS SYCD ON PREMISES (BUS & INDIV) (000)					64	54	- 10	16	64	60	- 4	6

**Variance Report Narrative
FY 03 and FY 04**

11 02 01 03

PROGRAM TITLE: Tax Services and Processing

TAX 105

PART I - EXPENDITURES AND POSITIONS

program with the IRS (JELF) and the ehawaii.gov website allowed individuals, businesses and tax practitioners to file returns and pay estimated taxes and bills on-line at their convenience.

PART II - MEASURES OF EFFECTIVENESS

Item 5. Percent of time telephone calls answered was 33% or approximately 18% less than projected. The decrease is due to the following factors:

- Implementation of new computer system which automatically generated tax return adjustment letters and billing notices.
- Mailing delays of tax refund checks during peak times in March and April.
- Processing delays of paper returns due to the unexpected hiring freeze of temporary staff.
- Staffing vacancies.

Item 7. Percent of taxpayers requesting personal service was 5% or 17% less than projected. The decrease is due to the following alternate sources or channels for obtaining tax forms, tax information, and filing of tax returns.

- Our Forms by Fax/Mail service which operates 24 hours a day, 7 days a week received over 40,000 calls requesting forms to be faxed or mailed.
- The Department's website access by the public increased by 1,703,206 hits or 50% over last fiscal year. The convenience of using the website for tax forms, publications, and tax-related legislation has contributed to its popularity.
- Electronic filing of tax returns, tax clearances and bill payments has shown significant increase over the previous fiscal year. Our joint electronic filing

PART III - PROGRAM TARGET GROUP

No variances to report.

PART IV - PROGRAM ACTIVITIES

Item 3. The number of telephone calls received increased by 33,000 or 25% more than projected. The increase is due to the reasons stated in Item 5, Part II, as well as the increase in calls to our Forms by Fax/Mail service.

Item 4. The number of correspondence received decreased by 14,000 pieces or 20% less than projected. The decrease may be directly related to the increase in telephone calls received for same period.

Item 5. The number of taxpayers serviced on the premises decreased by 10,000 transactions or 16% less than projected. See Item 7, Part II, for the explanation.

STATE OF HAWAII

PROGRAM TITLE:

PROGRAM-ID:

PROGRAM STRUCTURE NO: 11020104

VARIANCE REPORT

SUPPORTING SERVICES - REVENUE COLLECTION

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS POSITIONS EXPENDITURES												
OPERATING COSTS POSITIONS EXPENDITURES	36.0 4,831	36.0 4,974	143	3	57.0 937	57.0 937			57.0 13,539	57.0 13,539		
TOTAL COSTS POSITIONS EXPENDITURES	36.0 4,831	36.0 4,974	143	3	57.0 937	57.0 937			57.0 13,539	57.0 13,539		
					FISCAL YEAR 2002-03				FISCAL YEAR 2003-04			
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
PART II: MEASURES OF EFFECTIVENESS												
1. AMT OF LATE INTEREST PAYMENTS MADE TO VENDOR					90	91	+	1	90	90		
2. %GOODS/SVS RECVD BY INTERNAL CUST W/IN 20 WRK DAYS					80	80			80	80		
3. %VACANT PERM POSITIONS FILLED W/IN 60 DAYS OF VAC					3	2.6			3	1.0	-	2 67
4. MAX ERROR (%) IN FORECASTING GEN FUND REVENUES					70	67	-	3	70	70		
5. %TOT TAX BILLS INTRO/INCRP IN BILLS PASSED BY LEG					90	76	-	14	90	90		
6. % OF NETWORK TROUBLE CALLS RESLVED W/IN 48 HRS					95	100	+	5	95	100	+	5 5
7. % OF SYSTEMS ABENDS RESOLVED WITHIN 48 HOURS					95	97	+	2	95	95		
8. % OF NETWORK/SYS ENHANCEMT REQUESTS COMPLETED					135	135			135	135		
9. AV # WK DAYS TO RESPOND TO WRITTN LETTER RULG REQS					40	40			40	40		
10. AV # WK DAYS TO APPROVE GE TAX EXEMPTIONS												
PART III: PROGRAM TARGET GROUP												
1. # EMPLOYEES (PERM/TEMP) IN DOTAX					398	398			398	398		
2. NUMBER OF TAXPAYERS DOING BUSINESS					NA	NA			NA	NA		
3. NUMBER OF TAXPAYERS FILING RETURNS					NA	NA			NA	NA		
PART IV: PROGRAM ACTIVITIES												
1. # REQUISITIONS FOR GOODS & SERVICES					1,450	1,375	-	75	5	1,450	1,400	- 50 3
2. # REQUESTS TO FILL VACANT POSITIONS					40	38	-	2	5	40	40	
3. # OF END-USER DEVICES					1,100	1,124	+	24	2	1,100	1,130	+ 30 3
4. # OF MODULES MAINTAINED					6,400	26,499	+	20,099	314	6,600	31,800	+ 25,200 382
5. NO. OF CORRESPONDENCE REQ INFO RECVD (THOUSANDS)					10,000	10,000				10,000	10,000	
6. # REQUESTS/INQUIRIES FROM GOV, EXEC AGENCIES & LEG					150	150				150	150	

**Variance Report Narrative
FY 03 and FY 04**

**11 02 01 04
TAX 107**

PROGRAM TITLE: SUPPORTING SERVICES - REVENUE COLLECTION

PART I - EXPENDITURES AND POSITIONS

PART III - PROGRAM TARGET GROUP

No significant variance.

PART II - MEASURES OF EFFECTIVENESS

4. More than half of the total error (2.6%) in revenue forecasting were due to technical factors including franchise tax payments under protest (which were supposed to transfer to the litigated claims fund in June 2003 rather than July 2003), stronger than expected weekend effect, and variations in income tax refunds.
6. The percentage of network trouble calls resolved within 48 hours had an 18% variance for FY02-03 because of the support of a major system development project, new hardware, software, and network protocols combined with new staffing.

PART IV - PROGRAM ACTIVITIES

4. The number of modules (programs, JCL, etc.) maintained had a 75% and 79% variance for FY02-03 and FY03-04 respectively, because of 2 additional test regions (contains replicated modules) and the addition of new computer applications from the Integrated Tax Information Management System (ITIMS) project.

STATE OF HAWAII

PROGRAM TITLE:

FISCAL PROCEDURES AND CONTROL

PROGRAM-ID:

PROGRAM STRUCTURE NO: **110202****VARIANCE REPORT**

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04						
	BUDGETED	ACTUAL	±	CHANGE	%	BUDGETED	ACTUAL	±	CHANGE	%	BUDGETED	ESTIMATED	±	CHANGE	%
PART I: EXPENDITURES & POSITIONS															
RESEARCH & DEVELOPMENT COSTS															
POSITIONS															
EXPENDITURES															
OPERATING COSTS															
POSITIONS															
EXPENDITURES															
TOTAL COSTS															
POSITIONS															
EXPENDITURES															

Intermediate Level Program
No Narrative
(See Lowest Level Programs for Explanation of Variances)

STATE OF HAWAII

PROGRAM TITLE:

PROGRAM-ID:

PROGRAM STRUCTURE NO:

ACCT SYSTEM DEVELOPMENT & MAINTENANCE**AGS - 101****11020201****VARIANCE REPORT**

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES												
OPERATING COSTS												
POSITIONS	7.0	7.0			7.0	7.0			7.0	7.0		
EXPENDITURES	663	642	-	21	3	119	119		579	579		
TOTAL COSTS												
POSITIONS	7.0	7.0			7.0	7.0			7.0	7.0		
EXPENDITURES	663	642	-	21	3	119	119		579	579		
	FISCAL YEAR 2002-03				FISCAL YEAR 2003-04							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
PART II: MEASURES OF EFFECTIVENESS												
1. CUMULATIVE % OF DEVELOP & IMPLEMENT PROJECT COMPL	80	74	-	6	8	82	77	-	5	6		
PART IV: PROGRAM ACTIVITIES												
1. PAYROLL	9	10	+	1	11	9	10	+	1	11		
2. RECEIPTS AND OTHER EXPENDITURES	2	2				2	2					
3. CAP IMP, INV, FED FUND, TAX REV, TREAS CASH & DEPS												
4. ACCOUNTING MANUAL	1	1				1	1					
5. FORMS CONTROL	2	1	-	1	50	2	1	-	1	50		
6. DEPARTMENTAL SUB-SYSTEMS	1	1				1	1					

VARIANCE REPORT NARRATIVE
FY 03 and FY 04

11 02 02 01
AGS 101

PROGRAM TITLE: Accounting System Development & Maintenance

Part I - EXPENDITURES AND POSITIONS

There are no variances in positions for Fiscal Years 2002-2003 and 2003-2004.
There are no significant variances in expenditures for Fiscal Years 2002-2003 and 2003-2004.

Part III - PROGRAM TARGET GROUP

Because this program deals with systems development, as opposed to a service for which the target group concept is relevant, this part is not applicable.

Part II - MEASURES OF EFFECTIVENESS

There are no significant variances in the measures of effectiveness.

Part IV - PROGRAM ACTIVITIES

For Fiscal Years 2002-2003 and 2003-2004, there are no variances for items 2, 3, 4, and 6.

For Fiscal Years 2002-2003 and 2003-2004, the variances are due to the shifting of resources from item 5 to item 1 for the development and implementation of the new time and attendance system.

STATE OF HAWAII

PROGRAM TITLE:

EXPENDITURE EXAMINATION

PROGRAM-ID:

AGS - 102PROGRAM STRUCTURE NO: **11020202****VARIANCE REPORT**

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04						
	BUDGETED	ACTUAL	±	CHANGE	%	BUDGETED	ACTUAL	±	CHANGE	%	BUDGETED	ESTIMATED	±	CHANGE	%
PART I: EXPENDITURES & POSITIONS															
RESEARCH & DEVELOPMENT COSTS POSITIONS EXPENDITURES															
OPERATING COSTS POSITIONS EXPENDITURES															
TOTAL COSTS POSITIONS EXPENDITURES															
	19.0	16.0	-	3.0	16	19.0	16.0	-	3.0	16	19.0	18.0	-	1.0	5
	988	991		3		217	217				825	825			
	19.0	16.0	-	3.0	16	19.0	16.0	-	3.0	16	19.0	18.0	-	1.0	5
	988	991		3		217	217				825	825			
						FISCAL YEAR 2002-03				FISCAL YEAR 2003-04					
						PLANNED	ACTUAL	±	CHANGE	%	PLANNED	ESTIMATED	±	CHANGE	%
PART II: MEASURES OF EFFECTIVENESS															
1. AVE IN-HOUSE TIME TO PROCESS PAYMTS TO VENDORS						5	6	+	1	20	5	5			
PART III: PROGRAM TARGET GROUP															
1. DOCUMENTS REQ EXAMINATION PRIOR TO PAYMENT (THOU)						2,740	2,643	-	97	4	2,740	2,640	-	100	4
PART IV: PROGRAM ACTIVITIES															
1. VOUCHER CLAIMS EXAMINED (IN THOUSANDS)						1,162	995	-	167	14	1,162	1,107	-	55	5
2. PAYROLL CLAIMS EXAMINED (IN THOUSANDS)						1,576	1,646	+	70	4	1,576	1,530	-	46	3
3. CONTRACTS EXAMINED						2,458	2,497	+	39	2	2,458	2,961	+	503	20
4. WARRANTS DISBURSED (IN THOUSANDS)						1,906	1,716	-	190	10	1,906	1,759	-	147	8
5. WARRANTS CANCELLATIONS AND REISSUES						3,152	2,851	-	301	10	3,152	2,741	-	411	13

VARIANCE REPORT NARRATIVE
FY 03 and FY 04

PROGRAM TITLE: Expenditure Examination

11 02 02 02
AGS 102

Part I - EXPENDITURES AND POSITIONS

For FY 2002-2003, the variance in positions was due to budgetary restrictions which required approval to fill prior to recruitment and to the lack of pre-audit clerk applicants. There is no significant variance in positions for FY 2003-2004. There are no significant variances in expenditures for FY 2002-2003.

Part II - MEASURES OF EFFECTIVENESS

The average time taken to process a vendor payment once a department's voucher is received was six working days during the FY 2002-2003. For the FY 2003-2004, the program's goal has been set at five working days for the payment processing time for non-priority payments.

Part III - PROGRAM TARGET GROUPS

There is no significant variance in the program target group for FY 2002-2003. The planned and estimated figures for FY 2003-2004 reflect best-estimates based on actual figures of the preceding fiscal year.

Part IV - PROGRAM ACTIVITIES

The number of voucher claims examined (Item 1) was less than the number estimated. The number of summary warrant vouchers to be pre-audited is directly dependent on the number received from the various departments and agencies.

The number of warrants (checks) disbursed (Item 4) decreased due a decrease in the number of welfare checks, unemployment checks, and trust fund checks. A change to the electronic funds transfer method resulted in the decrease in welfare checks. The decrease in trust fund checks were due to one-time payment of HMSA refund checks paid in FY 2001-2002 and not made in the current fiscal year.

The number of warrants (checks) cancellations and reissues was less than the number estimated. The number processed is directly dependent on the various departments' and agencies' actions.

All other variances in the FY 2003-2004 are attributed to revising estimates based on FY 2002-2003 statistics.

STATE OF HAWAII

PROGRAM TITLE:

PROGRAM-ID:

PROGRAM STRUCTURE NO: 11020203

RECORDING AND REPORTING**AGS - 103****VARIANCE REPORT**

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04						
	BUDGETED	ACTUAL	± CHANGE		%	BUDGETED	ACTUAL	± CHANGE		%	BUDGETED	ESTIMATED	± CHANGE		%
PART I: EXPENDITURES & POSITIONS															
RESEARCH & DEVELOPMENT COSTS															
POSITIONS															
EXPENDITURES															
OPERATING COSTS															
POSITIONS															
EXPENDITURES															
TOTAL COSTS															
POSITIONS															
EXPENDITURES															
	12.0	11.0	-	1.0	8	12.0	11.0	-	1.0	8	12.0	11.0	-	1.0	8
	535	586		51	10	148	148				444	444			
	12.0	11.0	-	1.0	8	12.0	11.0	-	1.0	8	12.0	11.0	-	1.0	8
	535	586		51	10	148	148				444	444			
						FISCAL YEAR 2002-03				FISCAL YEAR 2003-04					
						PLANNED	ACTUAL	± CHANGE		%	PLANNED	ESTIMATED	± CHANGE		%
PART II: MEASURES OF EFFECTIVENESS						NA	NA				NA	NA			
1. AVE TIME FROM END OF REPORT PERIOD TO PUBLICATION:						6	9	+	3	50	6	6			
2. ANNUAL FINANCIAL REPORT OF THE STATE OF HAWAII						3	3				3	3			
3. ANNUAL REPORT TO GOVERNOR						4	6	+	2	50	4	4			
4. QUARTERLY ANALYSIS OF ESTIMATED GEN FUND BAL						4	4				4	4			
5. QUARTERLY REPORT ON STATUS OF BOND FUNDS						3	3				3	3			
6. QUARTERLY STMTS OF APPROPRIATION BAL FOR OPR ACC															
PART III: PROGRAM TARGET GROUP						945	905	-	40	4	945	905	-	40	4
1. RECEIPTS & EXPENDITURE TRANSACTIONS (THOUSANDS)															
PART IV: PROGRAM ACTIVITIES						945	905	-	40	4	945	905	-	40	4
1. TRANSACTIONS RECORDED (IN THOUSANDS)															

VARIANCE REPORT NARRATIVE
FY 03 and FY 04

PROGRAM TITLE: Recording and Reporting

11 02 02 03
AGS 103

Part I - EXPENDITURES AND POSITIONS

There are no significant variances in positions and expenditures for FY 2002-2003 or FY 2003-2004.

Part III - PROGRAM TARGET GROUP

The variance for FY 2002-2003 and FY 2003-2004 is the result of a decrease in expenditure transactions.

Part II - MEASURES OF EFFECTIVENESS

The variance for item 2 for FY 2002-2003 is the result of the late completion of a component unit's audit report. The variance for FY 2002-2003 item 4 is the late submission of one quarter's report. There are no variances for the remaining three Measures of Effectiveness for FY 2002-2003 and no significant variances for FY 2003-2004.

Part IV - PROGRAM ACTIVITIES

The variance for FY 2002-2003 and FY 2003-2004 is the result of a decrease in expenditure transactions.

STATE OF HAWAII

PROGRAM TITLE: **INTERNAL POST AUDIT**PROGRAM-ID: **AGS - 104**PROGRAM STRUCTURE NO: **11020204****VARIANCE REPORT**

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04						
	BUDGETED	ACTUAL	± CHANGE		%	BUDGETED	ACTUAL	± CHANGE		%	BUDGETED	ESTIMATED	± CHANGE		%
PART I: EXPENDITURES & POSITIONS															
RESEARCH & DEVELOPMENT COSTS															
POSITIONS															
EXPENDITURES															
OPERATING COSTS															
POSITIONS															
EXPENDITURES															
TOTAL COSTS															
POSITIONS															
EXPENDITURES															
					FISCAL YEAR 2002-03				FISCAL YEAR 2003-04						
					PLANNED	ACTUAL	± CHANGE		%	PLANNED	ESTIMATED	± CHANGE		%	
PART II: MEASURES OF EFFECTIVENESS															
1. AVE LENGTH OF TIME BETWEEN AUDITS (YEARS)					4	4				5	5				
2. # AUDITS COMPLETED AS % OF ANNUAL AUDITS PLANNED					100	92	-	8	8	100	100				
3. # OTH AUDITS COMPLTD AS % OTH AUDITS PLAN & REQ					100	55	-	45	45	100	67	-	33	33	
4. # AUDIT FINDINGS RESOLVED AS % OF AUDIT FINDINGS					100	53	-	47	47	100	60	-	40	40	
PART III: PROGRAM TARGET GROUP															
1. AUDIT UNITS-ANNUAL AUDITS					39	39				39	39				
2. AUDIT UNITS-NON-ANNUAL AUDITS					338	338				338	338				
3. AUDIT UNITS-SPECIAL REQUESTS					10	10				10	10				
PART IV: PROGRAM ACTIVITIES															
1. AUDIT UNITS-ANNUAL AUDITS					35	32	-	3	9	35	35				
2. AUDIT UNITS-NON-ANNUAL AUDITS					84	46	-	38	45	80	40	-	40	50	
3. AUDIT UNITS-SPECIAL REQUESTS					10	4	-	6	60	10	10				

VARIANCE REPORT NARRATIVE
FY 02 and 03

11 02 02 04
AGS 104

PROGRAM TITLE: Internal Post-Audit

Part I - EXPENDITURES AND POSITIONS

The variance in expenditures in FY 2002-2003 was attributable primarily to transfers in totaling \$152,000 to fund the unbudgeted costs of the additional costs of the financial audit of the Comprehensive Annual Financial Report of the State of Hawaii and the single audit of the Department of Accounting and General Services (DAGS). There was no variance in expenditures in the first quarter in FY 2003-2004. There is no anticipated variance in expenditures for the remaining three quarters in FY 2003-2004.

A variance of three positions existed in FY 2002-2003 and in the first quarter of FY 2003-2004. The variance of three positions will remain through the second quarter with just one position remaining for the last two quarters of FY 2003-2004.

Part II - MEASURES OF EFFECTIVENESS

There was no variance in item 1 in FY 2002-2003 and none is projected in FY 2003-2004. The decrease in item 2 in FY 2002-2003 was due to unanticipated problems that were encountered on 3 annual audits that have delayed their completion. The decrease in item 3 in FY 2002-2003 was due to a reduction in the number of positions available to conduct audits. The shortfall in item 4 in FY 2002-2003 was the result of the deferral of the active follow-up of audit findings due to a shortage of positions. No large variances are anticipated in items 2 and 3 FY 2003-2004. The shortfall in item 4 is due to the deferral of the active follow-up of audit findings due to a shortage of

positions.

Part III - PROGRAM TARGET GROUP

There was no variance in items 1, 2 and 3 in FY 2002-2003, and none is anticipated in FY 2003-2004.

Part IV - PROGRAM ACTIVITIES

The decrease in item 1 in FY 2002-2003 was due to unanticipated problems that were encountered on 3 annual audits that have delayed their completion and none is projected in FY 2003-2004. The large decrease in item 2 in FY 2002-2003 was due to a position vacancy and a position's extended medical leave in FY 2002-2003. The decrease in item 2 for FY 2003-2004 is due to a position vacancy and the continuation of a position's extended medical leave. The variance in item 3 in FY 2002-2003 was attributable to a decrease in the number of special requests that were received from state agencies. No large variance is anticipated in item 3 in FY 2003-2004.

STATE OF HAWAII

PROGRAM TITLE:

FINANCIAL ADMINISTRATION

PROGRAM-ID:

BUF - 115

PROGRAM STRUCTURE NO: 110203

VARIANCE REPORT

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04						
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%			
PART I: EXPENDITURES & POSITIONS															
RESEARCH & DEVELOPMENT COSTS															
POSITIONS															
EXPENDITURES															
OPERATING COSTS															
POSITIONS	22.0	17.0	-	5.0	23	21.0	17.0	-	4.0	19	21.0	19.0	-	2.0	10
EXPENDITURES	438,790	435,830	-	2,960	1	72,264	72,264				283,788	256,886	-	26,902	9
TOTAL COSTS															
POSITIONS	22.0	17.0	-	5.0	23	21.0	17.0	-	4.0	19	21.0	19.0	-	2.0	10
EXPENDITURES	438,790	435,830	-	2,960	1	72,264	72,264				283,788	256,886	-	26,902	9
					FISCAL YEAR 2002-03				FISCAL YEAR 2003-04						
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%			
PART II: MEASURES OF EFFECTIVENESS															
1. AV ANN RATE OF RETURN ON STATE TREASRY INVSTMTS					2.8	3.28			2.89	2.77					
2. RATE OF INT PD ON STATE BONDS REL TO BOND INDEX(%)					90	90			90	90					
3. UNCLMD PROP CLAIMS PAID AS % OF TOTAL RECEIPTS					45	32.0	-	13	29	37.5	37.5				
4. % TREASURY TRANSACTNS UNRECONCILED AFTER 30 DAYS					8	8				8	8				
PART III: PROGRAM TARGET GROUP															
1. STATE DEPARTMENTS					20	20			20	20					
2. STATE INVESTMENT ACCOUNTS					85	85			9	9					
3. STATE FUND INVESTMENTS (\$ MILLIONS)					683	724	+	41	6	1,150	731	-	419	36	
4. LOCAL AND MAINLAND FINANCIAL INSTITUTIONS					13	13				13	13				
5. UNCLAIMED PROPERTY HOLDERS					5,900	6,667	+	767	13	5,900	7,200	+	1,300	22	
6. OWNERS OF UNCLAIMED PROPERTY					30,000	42,000	+	12,000	40	30,000	45,000	+	15,000	50	
PART IV: PROGRAM ACTIVITIES															
1. NO. OF STATE BOND ISSUES UNDERTAKEN					9	5	-	4	44	8	8				
2. # STATE BOND CALLS AND/OR REDEMPTIONS INITIATED					3	7	+	4	133	10	13	+	3	30	
3. NO. OF STATE BOND ACCOUNTS/HOLDERS SERVICED					360	360				359	359				
4. AMOUNT OF STATE FUNDS MANAGED (IN MILLIONS)					3,495	3,297	-	198	6	3,467	3,330	-	137	4	
5. NO. OF STATE AGENCY ACCOUNTS SERVICED					387	387				387	387				
6. NO. OF UNCLAIMED PROPERTY CLAIMS PAID					3,000	2,355	-	645	22	3,500	3,500				
7. AMOUNT OF UNCLAIMED PROP CLAIMS PAID (000'S)					3,000	3,297	+	297	10	3,000	3,000				

Variance Report Narrative
FY 03 and FY 04

11 02 03
BUF 115 CA

PROGRAM TITLE: FINANCIAL ADMINISTRATION DIVISION

Part I - Expenditures and Positions

Positions - The variances for FY 2002-03 and FY 2003-04 represents four vacant positions, three in the Treasury Management and each in the Fiscal Services Branches. Two vacant positions are expected to be filled by the fiscal year end.

Expenditures - The variance in FY 03 is primarily due to debt service cost savings that resulted from the deferment of the initial interest payment due in FY 02 to July 1, 2003 for the Series CZ Bonds and savings in other current expenses -arbitrage rebate, bond counsel fees and Federal CMIA interest rebate.

The variance in FY 04 is due to the reduction in debt service costs that was achieved through the refunding/restructuring of general obligation bonds from the issuance of general obligation refunding bonds (Series DB and DC) and lower actual than estimated interest rate on a new issuance of general obligation bonds (Series DA) in FY 03.

Part II - Measures of Effectiveness

The variance in item 1 for FY 03 is due primarily to a higher than projected investment yield (which is market driven) in the State Treasury investment portfolio.

The variance in item 3 for FY 03 is due to higher than projected revenues collected in relation to

the settlement of claims paid to owners of unclaimed property.

Part III - Program Target Group

The variance in item 3 for FY 04 is due to a significant change in the state's economic condition since the program's last projections. State revenues have decreased, which means that fewer moneys are now available to be invested to cover future short-term obligations of the State of Hawaii.

The variance in item 5 for FY 03 is due to the increase in the number of reports of unclaimed property filed by mainland companies. The increase in reports being filed is the result of the reciprocity program with the other 49 states. The other states reported and sent unclaimed property belonging to residents of Hawaii to the custody of the State of Hawaii.

The variance in item 6 for FY 03 and FY 04 is due to the result of the reciprocity program stated above.

Part IV - Program Activities

The variance in item 1 of planned over actual activity is due to the deferment of 4 planned bond issuances during FY 03 since the last projections of program activities.

Variance Report Narrative
FY 03 and FY 04

PROGRAM TITLE: FINANCIAL ADMINISTRATION DIVISION

11 02 03
BUF 115 CA

Part IV - Program Activities (continued)

The variance in item 2 of actual over planned activity for FY 03 is due to the addition of 4 refunding bond issues since the last projections. The variance in FY 04 is due the addition of three refunding bond issues over the planned and estimated activity.

The variance in item 4 in FY 03 and FY 04 of planned over actual and estimated is due to the decrease in the amount of moneys collected and deposited into the State Treasury because of a change in the State's financial condition since the last projections.

The variance in FY 03 for item 6 and item 7 is the result of settling claims with owners of large amounts rather than with many owners of small amounts.

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STATE OF HAWAII

PROGRAM TITLE:

GENERAL SERVICES

PROGRAM-ID:

PROGRAM STRUCTURE NO: 1103

VARIANCE REPORT

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES												
OPERATING COSTS												
POSITIONS	1,114.0	1,003.0	- 111.0	10	1,139.0	1,017.0	- 122.0	11	1,139.0	1,116.0	- 23.0	2
EXPENDITURES	887,004	874,695	- 12,309	1	116,423	114,430	- 1,993	2	381,449	379,749	- 1,700	
TOTAL COSTS												
POSITIONS	1,114.0	1,003.0	- 111.0	10	1,139.0	1,017.0	- 122.0	11	1,139.0	1,116.0	- 23.0	2
EXPENDITURES	887,004	874,695	- 12,309	1	116,423	114,430	- 1,993	2	381,449	379,749	- 1,700	
					FISCAL YEAR 2002-03				FISCAL YEAR 2003-04			
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
PART II: MEASURES OF EFFECTIVENESS												
1. NO.ST RECRD SERIES UDR CNTRL SCHDL AS%TTL IN ST AG					29	29			29	29		
2. AVE TURNAROUND TIME TO REFER ELIGIBLES					21	16	- 5	24	21	21		
3. % CONTRACT GRIEVANCES SETTLED W/O 3RD PARTY ASST					90	95	+ 5	6	90	90		
4. "NO.BIDS OPENED YRLY, AV PRE-BID EST AS%AV ACT BID					100	117	+ 17	17	100	100		

Intermediate Level Program
No Narrative
(See Lowest Level Programs for Explanation of Variances)

STATE OF HAWAII

PROGRAM TITLE:

LEGAL SERVICES

PROGRAM-ID:

ATG - 100PROGRAM STRUCTURE NO: **110301****VARIANCE REPORT**

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04				
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%	
PART I: EXPENDITURES & POSITIONS													
RESEARCH & DEVELOPMENT COSTS													
POSITIONS													
EXPENDITURES													
OPERATING COSTS													
POSITIONS													
EXPENDITURES													
TOTAL COSTS													
POSITIONS													
EXPENDITURES													
	262.0	232.0	-	30.0	11	273.0	245.0	-	28.0	10	273.0	273.0	
	40,371	32,557	-	7,814	19	7,677	7,677				34,725	29,725	
											-	5,000	
												14	
	262.0	232.0	-	30.0	11	273.0	245.0	-	28.0	10	273.0	273.0	
	40,371	32,557	-	7,814	19	7,677	7,677				34,725	29,725	
											-	5,000	
												14	
					FISCAL YEAR 2002-03				FISCAL YEAR 2003-04				
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%	
PART II: MEASURES OF EFFECTIVENESS													
1. # CIVIL CASES SETTLED OR TRIED					39,381	36,815	-	2,566	7	39,000	38,500	-	500
2. # CRIMINAL CASES SETTLED OR TRIED					209	205	-	4	2	200	200		
3. \$ AMT PD IN SETTLEMENTS/JUDGMENTS AGAINST STATE(1000)					4,200	14,059	+	9,859	235	4,200	5,000	+	800
4. # ADMINISTRATIVE CASES SETTLED OR TRIED					1,404	1,020	-	384	27	1,400	1,500	+	100
5. # APPEALS SETTLED OR DECIDED					126	61	-	65	52	125	100	-	25
6. \$ AMOUNT OF JUDGMENTS/SETTLEMENTS FOR STATE (000)					22,561	18,215	-	4,346	19	22,000	20,600	-	1,400
7. # INVESTIGATIONS COMPLETED					3,954	5,282	+	1,328	34	3,900	5,700	+	1,800
8. # LEGAL OPINIONS & ADVICE ISSUED					2,746	2,740	-	6		2,700	2,940	+	240
9. # RULES REVIEWED AND/OR APPROVED					730	507	-	223	31	700	200	-	500
10. # CONTRACTS REVIEWED					5,346	5,690	+	344	6	5,300	5,300		
PART III: PROGRAM TARGET GROUP													
1. EMPLOYEES AND OFFICERS OF STATE GOVERNMENT					68,150	70,150	+	2,000	3	68,000	70,000	+	2,000
2. PEOPLE OF HAWAII (MILLIONS)					1.211	1.211				1.211	1.211		
PART IV: PROGRAM ACTIVITIES													
1. # HOURS-PREP/APPR FOR ADMIN HRG, PUB MTG, CT APP					72,600	70,265	-	2,335	3	72,600	70,700	-	1,900
2. # HOURS - LEGAL RESEARCH, FACT GATHERING/DISCOVERY					104,400	104,721	+	321		104,400	104,400		
3. # HOURS-LEGAL OPINIONS, ADVICE ISSUED					25,300	29,838	+	4,538	18	25,300	28,200	+	2,900
4. # HOURS-REVIEW, APPROVAL OF RULES					25,700	28,260	+	2,560	10	25,700	27,500	+	1,800
5. # HOURS-MATTERS RELATING TO CONTRACTS					9,000	10,001	+	1,001	11	9,000	10,200	+	1,200
6. # HOURS-MATTERS RELATING TO LEGISLATION					9,800	9,956	+	156	2	9,800	10,000	+	200

VARIANCE REPORT NARRATIVE
FY 03 and FY 04

PROGRAM TITLE: Legal Services

11 03 01
ATG 100

Part I – Expenditures and Positions

In FY 2003, there was an expenditure variance of \$7,814,416 resulting from primarily unused federal, trust and revolving fund allotments. The variance shown on the report is less than the actual variance because the collective bargaining funds of \$1,875,855 were not included in the budgeted column. The program lapsed approximately \$150,000 of general funds of which \$113,953 was restricted funds.

As of June 30, 2003, there were twenty-eight (28) vacancies of which nine (9) were subsequently filled in the 1st Quarter of FY 2004. However, at the end of the 1st Quarter of FY 2004, there were still twenty-eight (28) vacancies since additional positions became vacant.

Part II – Measures of Effectiveness

1. In FY 2003, the variance for items 1, 4, 5 and 9 was primarily due to the overestimation of the planned measures.
2. Settlements/judgments paid by the State, Item 3, exceeded the planned measure by \$9,859,000 for FY 2003. The planned measure was substantially underestimated.
3. The actual judgments/settlements received by the State, Item 6, was overestimated. This variance was attributed to an overestimation of the amount of settlement on a litigation case.
4. The number of investigations completed, Item 7, exceeded the planned by 1,300 due to the additional staffing to complete these investigations and the underestimation of this planned measure.

5. There were no significant variance in the number of contracts reviewed, Item 10, since the percentage differential between planned and actual was about 5%.

Part III – Program Target Group

No significant variance.

Part IV – Program Activities

1. There were no significant variances in Program Activities 1, 2 and 6 since the percentage differential between planned and actual was less than 5%.
2. In Program Activities 3, 4, and 5, there were substantial variances between planned and actual, but not particularly attributed to any one cause or reason.

PROGRAM STRUCTURE NO: 110302

INFORMATION PROCESSING SERVICES

AGS - 131

11/24/03

706

VARIANCE REPORT NARRATIVE
FY 03 and FY 04

11 03 02
AGS 131

PROGRAM TITLE: Information Processing Services

Part I - EXPENDITURES AND POSITIONS

The variance in positions for FY 2002-03 and the first quarter of FY 2003-04 is due to ongoing vacancies. Recruitment of information technology positions has been difficult due to the increased demand for computer specialists in the last several years and the competitive salaries in the private sector. The variance in expenditures for FY 2002-03 reflects U fund (interdepartmental transfers) receipts that are less than the budgeted U fund ceiling.

Part II - MEASURES OF EFFECTIVENESS

Item 1. The number of applications maintained by ICSD has decreased as applications have been moving from IBM and Wang computers to computers maintained at departments. This decrease has enabled the redirection of resources, which resulted in an increase to requests completed as scheduled.

There are no other significant variances in the measures of effectiveness.

Part III - PROGRAM TARGET GROUP

There is no variance in the program target group.

Part IV - PROGRAM ACTIVITIES

Item 1. In FY 2004, the program planned to reduce the number of servers by deleting the WANG servers that were previously housed in the state's central computer facility. While the WANG servers were deleted, additional servers were added for various programs, including the FTP, Data Mart, and Time and Attendance servers, as well as servers for Department of Taxation and Department of the Attorney General.

Item 2. This measure of effectiveness was changed from Governor's Referrals to Referrals, in general. The difference in the number is due to the type of referral that is being counted.

Item 3. The number of applications maintained by ICSD has decreased as applications have been moving from IBM and Wang computers to computers maintained at departments.

Item 4. There were less trouble calls received in FY 2003. As users migrate off older platforms, trouble calls related to obsolete equipment has decreased. In addition, the decrease may be attributed to improved management of the networks. It is anticipated that the number of these calls will remain relatively stable in FY 2004.

Item 8. Construction of the microwave sites has not been completed.

There are no other significant variances in the program activities.

STATE OF HAWAII

PROGRAM TITLE:

PERSONNEL SERVICES

PROGRAM-ID:

PROGRAM STRUCTURE NO: **110305****VARIANCE REPORT**

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES												
OPERATING COSTS												
POSITIONS	116.0	113.0	-	3.0	3	115.0	107.0	-	8.0	7	115.0	115.0
EXPENDITURES	19,170	14,561	-	4,609	24	5,716	4,511	-	1,205	21	13,745	14,953
											1,208	9
TOTAL COSTS												
POSITIONS	116.0	113.0	-	3.0	3	115.0	107.0	-	8.0	7	115.0	115.0
EXPENDITURES	19,170	14,561	-	4,609	24	5,716	4,511	-	1,205	21	13,745	14,953
											1,208	9
					FISCAL YEAR 2002-03				FISCAL YEAR 2003-04			
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
PART II: MEASURES OF EFFECTIVENESS												
1. AVE TURNAROUND TIME TO REFER ELIGIBLES					21	16	-	5	24	21	21	
2. % OF CLASS ACTNS FOR NEW & VAC POS CMLTD IN 3 MO					95	95				95	95	
3. % OF CLASS ACTNS FOR FILLED POS CMLTD IN 6 MO					95	86	-	9	9	95	95	
4. % CONTRACT GRIEVANCES SETTLED W/O 3RD PARTY ASST					90	95	+	5	6	90	90	

**Intermediate Level Program
No Narrative
(See Lowest Level Programs for Explanation of Variances)**

PROGRAM TITLE: WORK FORCE ATTR, SELECT, CLASS & EFFECT

11/24/03

PROGRAM-ID: HRD - 102

PROGRAM STRUCTURE NO: 11030501

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES												
OPERATING COSTS												
POSITIONS	108.0	105.0	- 3.0	3	106.0	98.0	- 8.0	8	106.0	106.0		
EXPENDITURES	18,062	13,456	- 4,606	26	5,472	4,267	- 1,205	22	12,879	14,087	1,208	9
TOTAL COSTS												
POSITIONS	108.0	105.0	- 3.0	3	106.0	98.0	- 8.0	8	106.0	106.0		
EXPENDITURES	18,062	13,456	- 4,606	26	5,472	4,267	- 1,205	22	12,879	14,087	1,208	9
					FISCAL YEAR 2002-03				FISCAL YEAR 2003-04			
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
PART II: MEASURES OF EFFECTIVENESS												
1. AVERAGE TURNAROUND TIME TO REFER ELIGIBLES		21	16	- 5	24	21			21	21		
2. % OF SELECTION ACTIONS TAKEN CHANGED BY APPEAL		1	-	1	100	1			1	1		
3. % OF CLASS ACTNS FOR FILLED PSNS COMPL IN 6 MO		95	86	- 9	9	95			95	95		
4. % OF CLASS ACTNS FOR NEW & VAC PSNS COMPL IN 3 MO		95	95			95			95	95		
5. % OF CLASSIFICATION ACTNS TAKEN CHANGED BY APPEAL		1	-	1	100	1			1	1		
6. % TOTAL PAY RANGE ASSIGNMENTS CHANGED BY APPEAL		1	-	1	100	1			1	1		
7. EMPLOYEE TRAINED AS % OF TOTAL WORKFORCE		30	23	- 7	23	30	20	- 10	33			
8. % CONTRACT GRIEVANCES SETTLED W/O 3RD PARTY ASST		90	95	+	5	6	90	90				
9. NO. OF GRIEV PER 1000 EES IN BU'S UNDER HRD JURIS		17	19	+	2	12	17	17				
10. RATIO: OPEN CLAIMS VS CLAIMS CLOSED DURING FY		2	2			2	2					
PART III: PROGRAM TARGET GROUP												
1. VACANCIES TO BE FILLED BY ELIGBL & NON-COMP. ACT		2,000	1,098	- 902	45	2,000	2,000					
2. NO. OF CIVIL SERVICE POSITIONS		28,000	28,280	+	280	1	28,000	28,000				
3. NO. OF NEW CIVIL SERVICE POSITIONS		1,000	907	- 93	9	1,000	900	- 100	10			
4. INJURED EMPLOYEES IN CENTRALIZED MGT GROUP		11,570	11,570			11,570	11,570					
5. NO. OF CIVIL SERVICE CLASSES		1,700	1,677	- 23	1	1,700	1,700					
6. CIVIL SERVICE EMPLOYEES		25,623	27,174	+	1,551	6	25,623	27,174	+	1,551	6	
7. EXEMPT SERVICE EMPLOYEES		2,429	2,424	- 5		2,429	2,424	- 5				
8. MIDDLE-MANAGEMENT EMPLOYEES		964	964			964	964					
9. FIRST-LINE SUPERVISORY EMPLOYEES		2,741	2,741			2,741	2,741					
10. NON-MANAGEMENT EMPLOYEES		25,507	23,419	- 2,088	8	25,507	23,419	- 2,088	8			
PART IV: PROGRAM ACTIVITIES												
1. RECRUIT OR LOCATE APPLICANTS(APPLC.RECEIVD)		21,000	15,263	- 5,737	27	21,000	21,000					
2. EXAMINE APPLICANTS(TTL EXAMINED BY ALL MEANS)		12,000	6,838	- 5,162	43	12,000	12,000					
3. REFER QUAL APPS FOR PLACEMENT(ELIGBL REFERRED)		30,000	34,734	+	4,734	16	30,000	30,000				
4. CLASSIFY POSITIONS (NO. ACTIONS TAKEN)		4,000	4,259	+	259	6	4,000	4,000				
5. PREPARE CLASS & QUAL SPEC (# OF CLASS SPECS COMPL)		200	186	- 14	7	200	200					
6. ANALYZE REQUESTS FOR EXEMPTNS (# OF REQ ANALYZD)		381	325	- 56	15	381	360	- 21	6			
7. PRICE/REPRICE DETERMNTNS (# OF CLASSES REVIEWED)		80	125	+	45	56	80	125	+	45	56	
8. AUDIT PERSONNEL ACTIONS (NO. OF ACTIONS REVIEWED)		142,571	132,296	- 10,275	7	142,571	132,296	- 10,275	7			
9. CONDUCT TRAINING PROGRAMS(NO.OF PROGRAMS)		400	601	+	201	50	400	400				
10. NUMBER OF FORMAL GRIEVANCES REVIEWED		350	425	+	75	21	350	400	+	50	14	

Variance Report Narrative
FY 2003 and FY 2004

11 03 05 01
HRD 102

PROGRAM TITLE: Workforce Attraction, Selection, Classification and Effectiveness

Part I - EXPENDITURES AND POSITIONS

The variance in positions and expenditures in FY 03 is due to vacancies and collective bargaining augmentation. The variance between the budgeted and actual expenditures in FY 2004 is due to collective bargaining augmentation. In FY 04 the expenditures are anticipated to be as planned by fiscal year end.

Part II - MEASURES OF EFFECTIVENESS

Item 1. The variance for FY 2003 between the planned overall turnaround time and this year's actual turnaround time is largely attributed to the reduced number of recruitments conducted due to the Governor's hiring freeze.

Item 7. The variance in 2003 is due to the unfavorable budget situation which meant less money was available for training. The variance for FY 2004 is due to a more realistic estimate based on the results of a previous year.

Part III - PROGRAM TARGET GROUP

Item 1. The variance in 2003 is due to continuing budget policy whereby Governor's approval is required in order for departments to fill vacant positions. In accordance with the Governor's Executive Memorandum 03-09, agencies required Governor's approval to fill vacancies other than those critical vacancies required by consent decrees in health/hospital and education-related program areas. Also, in lieu of RIFs, savings continue to be achieved through the attrition of employees who retired or left State service, and the subsequent delay in filling or abolishment of their resulting vacancies.

PART IV - PROGRAM ACTIVITIES

Items 1, 2 and 3. The variance for FY 2003 may be reflective of the reduced hiring level and the public's continued perception that a State job may no longer be considered as secure. Additionally, the decrease in the applications received and the decrease in the applicants examined is largely due to the fact that we have a new human resources application system and we, as well as the public, are still becoming accustomed to the intricacies of this new way of doing business. This new system allows the public an on-line means to search and apply for

civil service positions. Although the number of applications received has gone down, the number of actual recruitments conducted has increased due largely to consent decree needs and difficult-to-fill jobs.

Item 6. The variance for FY 2003 is due to the restrictions on the establishment and filling of positions.

Item 7. The variance for FY 2003 is due to an increased number of classes established by other jurisdictions.

Item 8. The variance for FY 2003 is due to just three of the eight bargaining units we administer receiving pay increases - Unit 01, salary schedule change for certain employees; Units 09 and 11 arbitrated increases.

Item 9. The variance for FY 2003 is due to the large number of employees participating in computer training and in preventing workplace violence training.

Item 10. The variance for FY 2003 is due to a new method of gathering grievance data which was implemented in March 2002 resulting in more accurate grievance data.

PROGRAM STRUCTURE NO: 11030502

VARIANCE REPORT

11/24/03

SUPPORTING SERVICES-HUMAN RESOURCES DEV.

HRD - 191

11030502

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS POSITIONS EXPENDITURES												
OPERATING COSTS POSITIONS EXPENDITURES	8.0 1,108	8.0 1,105	- 3		9.0 244	9.0 244			9.0 866	9.0 866		
TOTAL COSTS POSITIONS EXPENDITURES	8.0 1,108	8.0 1,105	- 3		9.0 244	9.0 244			9.0 866	9.0 866		
					FISCAL YEAR 2002-03				FISCAL YEAR 2003-04			
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
PART II: MEASURES OF EFFECTIVENESS					NA	NA			NA	NA		
1. QUANT MOE NOT DEVELOPED FOR THIS PROG												
PART III: PROGRAM TARGET GROUP					28,052	29,598	+ 1,546	6	28,052	29,598	+ 1,546	6
1. TTL NO OF CIV SERV & EXEMT SERVICE PERSONNEL					96	80	- 16	17	96	80	- 16	17
2. NUMBER OF ELECTED & APPOINTED OFFICIALS					116	113	- 3	3	117	115	- 2	2
3. EMPLOYEES OF DHRD					0	NA			0	NA		
4. MEMBERS OF CIVIL SERVICE COMMISSION					0	NA			0	NA		
5. MMBRS OF PUBLIC EMPLOYEES COMPENSATION APPEALS BD					3	3			3	3		
6. MMBRS OF MERIT APPEALS BD												
PART IV: PROGRAM ACTIVITIES					100	102	+ 2	2	100	100		
1. ADV GOV ON PROBE CONC ADMIN OF PERS MANAG SYS-WKHR					1,203	1,203			1,203	1,203		
2. ADMINISTER PERSONNEL MANAG SYS OF STATE (WKHR)					2,028	2,040	+ 12	1	2,028	2,028		
3. DIRECT & COORDINATE DPS PROG (WORK HOURS)					875	850	- 25	3	875	875		
4. PARTICIPATE IN COLL BARGAINING PROCESS (WKHR)												

Variance Report Narrative
FY 2003 and FY 2004

11 03 05 02
HRD 191

PROGRAM TITLE: Supporting Services-Human Resources Development

Part I - EXPENDITURES AND POSITIONS

Expenditure variance for FY 2003 represents imposed restrictions and collective bargaining augmentation. In FY 2004 the expenditures are anticipated to be as planned.

Part II - MEASURES OF EFFECTIVENESS

Quantification of the measures of effectiveness has not been developed for this program.

Part III - PROGRAM TARGET GROUP

There are no significant variances to report.

Part IV - PROGRAM ACTIVITIES

There are no significant variances to report.

STATE OF HAWAII

PROGRAM TITLE:

PROGRAM-ID:

PROGRAM STRUCTURE NO: 110306

VARIANCE REPORT

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04						
	BUDGETED	ACTUAL	± CHANGE		%	BUDGETED	ACTUAL	± CHANGE		%	BUDGETED	ESTIMATED	± CHANGE		%
PART I: EXPENDITURES & POSITIONS															
RESEARCH & DEVELOPMENT COSTS															
POSITIONS															
EXPENDITURES															
OPERATING COSTS															
POSITIONS															
EXPENDITURES															
TOTAL COSTS															
POSITIONS															
EXPENDITURES															

**Intermediate Level Program
No Narrative
(See Lowest Level Programs for Explanation of Variances)**

STATE OF HAWAII

PROGRAM TITLE:

RETIREMENT

PROGRAM-ID:

BUF - 141

PROGRAM STRUCTURE NO: 11030601

VARIANCE REPORT

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES												
OPERATING COSTS												
POSITIONS												
EXPENDITURES												
TOTAL COSTS												
POSITIONS												
EXPENDITURES												
FISCAL YEAR 2002-03					FISCAL YEAR 2003-04							
PLANNED ACTUAL ± CHANGE %					PLANNED ESTIMATED ± CHANGE %							
PART II: MEASURES OF EFFECTIVENESS												
1. AVE TIME BETWN RET DATE AND INIT RET CHECK (WEEKS)												
2. AVE TIME TO PROC INIT CHK TO TERM EMPlys (WKS)												
3. RETURN ON INVESTMENTS (PERCENTAGE)												
4. AVE. TIME TO FINALIZE SVS RETIREMT BENEFITS (MON)												
PART III: PROGRAM TARGET GROUP												
1. ACTIVE MEMBERS												
2. RETIRED MEMBERS												
3. INACTIVE VESTED MEMBERS												
PART IV: PROGRAM ACTIVITIES												
1. NUMBER OF NEW MEMBERS												
2. NUMBER OF TERMINATIONS WITH REFUND												
3. NUMBER OF ANNUAL RETIREES												
4. NUMBER OF ANNUAL DECEASED MEMBERS AND RETIREES												
5. ASSETS (IN MILLIONS OF DOLLARS)												
6. NUMBER OF ANNUAL RETIREMENT BENEFIT COMPUTATIONS												
7. NUMBER OF ANNUAL DISABILITY CLAIMS FILED												
8. NO. MEMBER HOME LOAN MORTGAGES												
9. NO. INVESTMENT ADVISORY FIRMS												

Variance Report Narrative
FY 03 and FY 04

11 03 06 01

BUF 141

BUF 141 - Retirement

Part I - POSITIONS AND EXPENDITURES

Positions: FY04 reflects 6.00 new positions that are pending personnel action and 3.00 positions that have recently become vacant. The program is working to fill these vacant positions by fiscal year end.

Expenditures: FY 03 and FY 04 variance of operating expenditures is primarily due to the inclusion of collective bargaining augmentation funds to provide for the employer Social Security requirements.

Part II - MEASURES OF EFFECTIVENESS

1. Average Time Between Retirement Date and Initial Retirement Check: Act 128/2002 changed the pension payment cycle for new retirees from a semi-monthly to a monthly payment basis effective January 1, 2003. The ERS has made every effort to ensure that these payments are made a month after a retirement date for a prospective retiree is established provided that all required documents are received to initiate the payment process.
3. Return on Investments: The underperformance in investment returns is primarily the result of continued volatility in the world's economy that has negatively impacted the equity markets; led by the continued depreciation of the international stock markets.

Part III - PROGRAM TARGET GROUP

No significant variances for program target group data.

Part IV - PROGRAM ACTIVITIES

1. Number of New Members: The increase in new members is the result of improvement to the Hawaii economy to generate an increase in State revenues, and thereby, expanding the ability of programs to establish new positions or to fill position vacancies.

2. Number of Terminations with Refund: Contributory Plan membership as a percentage of the total membership is approximately 16%. It is difficult to gauge the number of terminations in any year. However, Act 121/03 will require the ERS to issue 200 refunds to members who are on VISA status in FY 2004.
3. Number of Annual Retirees: Forecasting the number of retirees in any given year is difficult to determine but the results were that the actual number of retirees increased over projections.
5. Assets: Refer to Return on Investments.
6. Number of Annual Retirement Benefit Computations: The number of benefit computations in any given year is difficult to determine but the increase may be the result of the number of baby boomers eligible to retire and the possible loss of benefits through legislative action.
7. Number of Annual Disability Claims Filed: Forecasting the number of annual disability claims filed in any given year is difficult to determine but the results were that the actual numbers exceeded projections.
8. Number of Member Home Loan Mortgages: The declining trend in the number of loans is due to the competitive interest rates being offered by other financial institutions. It can be expected that this trend will continue into the 2004 fiscal year.
9. The Board of Trustees monitors performance of external investment managers, and hires or terminates managers for changes in the strategic asset allocation plan and based on actual investment results. FY 03 variance is the result of this strategy, but the ERS anticipates an increase in external investment managers for FY 04 due to changes in the long-term asset allocation targets.

STATE OF HAWAII

PROGRAM TITLE:

PUBLIC EMPLOYEES HEALTH FUND

PROGRAM-ID:

BUF - 142

PROGRAM STRUCTURE NO: 11030602

VARIANCE REPORT

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04		
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS											
RESEARCH & DEVELOPMENT COSTS											
POSITIONS											
EXPENDITURES											
OPERATING COSTS											
POSITIONS	15.0	14.0	-	1.0	7						
EXPENDITURES	441,364	441,157	-	207							
TOTAL COSTS											
POSITIONS	15.0	14.0	-	1.0	7						
EXPENDITURES	441,364	441,157	-	207							

Variance Report Narrative
FY 03 and FY 04

11 03 06 02
BUF 142

PROGRAM TITLE: Health and Life Insurance Benefits

PART I – POSITIONS AND EXPENDITURES

FY 2002-03

There are no significant variances.

FY 2003-04

Not applicable *

PART III – PROGRAM TARGET GROUP

Not applicable *

PART IV – PROGRAM ACTIVITIES

Not applicable *

PART II – MEASURES OF EFFECTIVENESS

Not applicable *

* The Hawaii Public Employees Health Fund sunset on June 30, 2003. Data for Parts II, III and IV is being reported under its successor agency, the Hawaii Employer-Union Health Benefits Trust Fund (BUF 143).

STATE OF HAWAII

PROGRAM TITLE:

EMPLOYER UNION TRUST FUND

PROGRAM-ID:

BUF - 143PROGRAM STRUCTURE NO: **11030603****VARIANCE REPORT**

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS POSITIONS EXPENDITURES												
OPERATING COSTS POSITIONS EXPENDITURES	1,784	1,014	- 770	43	23.0 343	22.0 343	- 1.0	4	23.0 3,096	23.0 3,096		
TOTAL COSTS POSITIONS EXPENDITURES	1,784	1,014	- 770	43	23.0 343	22.0 343	- 1.0	4	23.0 3,096	23.0 3,096		
					FISCAL YEAR 2002-03				FISCAL YEAR 2003-04			
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
PART II: MEASURES OF EFFECTIVENESS												
1. % CHG IN ADMIN EXPENDITURES PER ENROLLEES OF EUTF					NA	NA			NA	NA		
2. % ACCTS W/SHORTAGES,OVERAGES PENDG RESO > 30DAYS					NA	NA			5	5		
3. %CHG IN SATISFCTN IN DPO, INSUR CARRIER SURVEYS					NA	NA			NA	NA		
4. % OPEN ENROLLMT TRANSCNTNS COMPL BY EUTF BY 6/30					NA	NA			95	95		
PART III: PROGRAM TARGET GROUP												
1. ACTIVE FULLTIME EMPLOYEES OF STATE & COUNTIES					NA	NA			64150	64150		
2. TOTAL RETIREDEMPLOYEES					NA	NA			34300	34300		
3. TOTAL DEPENDENT BENEFICIARIES					NA	NA			83500	83500		
4. MEDICARE PREMIUM REIMBURSEMENT RECIPIENTS					NA	NA			32900	32900		
5. PERSONNEL AND FINANCE OFFICERS					NA	NA			500	500		
6. INSURANCE CARRIERS					NA	NA			10	6	- 4	40
PART IV: PROGRAM ACTIVITIES												
1. NEW ENROLLMENTS (ADDITIONS)					NA	NA			8800	8800		
2. TERMINATIONS (DELETIONS, CANCELLATIONS)					NA	NA			6650	6650		
3. ENROLLMENT DATA CHGS - INSUR PLAN, NAME, ADDRESS					NA	NA			20970	20970		
4. BENEFIT CLAIMS (GRP LIFE INSURANCE)					NA	NA			770	770		
5. COBRA ENROLLMENTS					NA	NA			3250	3250		
6. OUTREACH/EDUC BENEFIT BRIEFING SESSIONS CONDUCTED					NA	NA			150	150		

Variance Report Narrative
FY 03 and FY 04

11 03 06 03
BUF 143

PROGRAM TITLE: Hawaii Employer-Union Health Benefits Trust Fund

PART I – POSITIONS AND EXPENDITURES

FY 2002-03

Expenditures – The variance in expenditures are mainly due to lower than budgeted expenditures for the following: insurance for board of trustees, delays in computer system enhancements and improvements, and delays in hiring new Trust Fund staff. Savings were also generated in funds budgeted for open enrollment related data entry and public education costs due to changes in program plans.

FY 2003- 2004

There are no significant variances in positions and expenditures. The vacant position is expected to be filled by fiscal year end.

PART II – MEASURES OF EFFECTIVENESS

There are no significant variances. *

PART III – PROGRAM TARGET GROUP

Insurance Carriers – (Item 6) – The variance is due to a change in the number of plans offered since planned data was prepared.

There are no other significant variances. *

PART IV – PROGRAM ACTIVITIES

There are no significant variances. *

* The Hawaii Employer-Union Health Benefits Trust Fund began offering plans on July 1, 2003. Due to its recent inception, estimated data for Parts II, III and IV reflects planned data. There is currently insufficient program activity from which to base revised data.

STATE OF HAWAII

PROGRAM TITLE:

PROPERTY MANAGEMENT

PROGRAM-ID:

PROGRAM STRUCTURE NO: 110307

VARIANCE REPORT

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04						
	BUDGETED	ACTUAL	± CHANGE		%	BUDGETED	ACTUAL	± CHANGE		%	BUDGETED	ESTIMATED	± CHANGE		%
<u>PART I: EXPENDITURES & POSITIONS</u>															
RESEARCH & DEVELOPMENT COSTS															
POSITIONS															
EXPENDITURES															
OPERATING COSTS															
POSITIONS															
EXPENDITURES															
TOTAL COSTS															
POSITIONS															
EXPENDITURES															
=====															

Intermediate Level Program
No Narrative
(See Lowest Level Programs for Explanation of Variances)

STATE OF HAWAII

PROGRAM TITLE:

PUBLIC LANDS MANAGEMENT

PROGRAM-ID:

LNR - 101

PROGRAM STRUCTURE NO: 11030701

VARIANCE REPORT

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04						
	BUDGETED	ACTUAL	± CHANGE		%	BUDGETED	ACTUAL	± CHANGE		%	BUDGETED	ESTIMATED	± CHANGE		%
PART I: EXPENDITURES & POSITIONS															
RESEARCH & DEVELOPMENT COSTS															
POSITIONS															
EXPENDITURES															
OPERATING COSTS															
POSITIONS	56.0	45.0	-	11.0	20	56.0	43.0	-	13.0	23	56.0	56.0			
EXPENDITURES	5,776	4,541	-	1,235	21	1,251	999	-	252	20	4,698	4,950		252	5
TOTAL COSTS															
POSITIONS	56.0	45.0	-	11.0	20	56.0	43.0	-	13.0	23	56.0	56.0			
EXPENDITURES	5,776	4,541	-	1,235	21	1,251	999	-	252	20	4,698	4,950		252	5
						FISCAL YEAR 2002-03				FISCAL YEAR 2003-04					
						PLANNED	ACTUAL	± CHANGE		%	PLANNED	ESTIMATED	± CHANGE		%
PART II: MEASURES OF EFFECTIVENESS															
1. NO. OF ACRES ON LEASE (THOUSANDS)						170	145	-	25	15	195	140	-	55	28
2. NO. OF ACRES ON REV. PERMIT (THOUSANDS)						70	58	-	12	17	70	60	-	10	14
3. NO. OF ACRES UNENCUMBERED (THOUSANDS)						320	332	+	12	4	550	350	-	200	36
4. NO. OF DELINQ ACCTS AS A % OF TOTAL ACCTS						5	4	-	1	20	5	5			
5. AMT OF GEOTHERMAL ROYALTIES COLLECTED (\$000)						200	170	-	30	15	500	500			
PART III: PROGRAM TARGET GROUP															
1. # ACRES SET ASIDE BY EXEC ORDERS FOR PUBLIC PURP						760	757	-	3		760	760			
2. DOLLAR AMOUNT TRANSFERRED TO OHA (000)							537	+	537	***	1,751	1,100	-	651	37
3. DOLLAR AMOUNT TRANSFERRED TO DHHL (000)						286	225	-	61	21	295	200	-	95	32
PART IV: PROGRAM ACTIVITIES															
1. NO. OF SALES IN FEE						20	18	-	2	10	10	10			
2. NO. OF GENERAL LEASES SOLD						10	17	+	7	70	20	20			
3. NO. OF REVOCABLE PERMITS ISSUED						25	21	-	4	16	20	20			
4. NO. OF EXECUTIVE ORDERS ISSUED						40	56	+	16	40	30	40	+	10	33
5. NO. ACQUISITIONS OF NON-PUBLIC LAND FOR PUBLIC USE						5	7	+	2	40	5	5			
6. NO. OF INSPECTIONS OF PUBLIC LANDS MADE						1,500	700	-	800	53	1,500	800	-	700	47
7. NO. OF DOCUMENTS UNDER CUSTODIANSHIP (THOUSANDS)						80	80				80	80			
8. NO. OF EASEMENTS GRANTED						20	18	-	2	10	20	20			
9. DOLLAR AMT OF DELINQUENT RECEIVABLES (THOUS)						150	31	-	119	79	150	100	-	50	33

Variance Report Narrative
FY 03 and FY 04

11 03 07 01

PROGRAM TITLE: Public Lands Management

LNR 101

Part I - EXPENDITURES AND POSITIONS

Delays experienced in obtaining Governor's approvals to fill, waiting for DHRD recruitment process and finding qualified applicants.

Expenditures for contested case, Beach Restoration, and land maintenance were below the ceiling amounts.

Part II - MEASURES OF EFFECTIVENESS

Item 1: Overly optimistic estimated projections.

Item 2: Overly optimistic estimated projections.

Item 6: Puna Geothermal (only functioning geothermal lease) experienced production difficulties and produced less electricity than expected.

Part III - PROGRAM TARGET GROUP

Item 2: Pursuant to a Hawaii Supreme Court decision, it was projected that no trust land revenue would be transferred to OHA. With the Governor's execution of Executive Order 03-03, 20% of revenues from trust lands were transferred to OHA starting the third quarter of the fiscal year. As a

result, the actual figures are higher than expected.

Item 3: Lower transfers to DHHL reflect decreased rents being received from land formerly in sugarcane cultivation.

Part IV - PROGRAM ACTIVITIES

Items 2, 3, 4:

Actual amounts fluctuate based on number of requests received.

Item 6: Unable to conduct inspections due to staff shortages, backlog of pending disposition requests and unencumbered land issues.

Item 9: Continued efforts by staff to address delinquencies has resulted in lower than expected delinquent receivables.

PROGRAM TITLE: RISK MANAGEMENT
PROGRAM-ID: AGS - 203
PROGRAM STRUCTURE NO: 11030702

REPORT V61
11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04					
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%		
PART I: EXPENDITURES & POSITIONS														
RESEARCH & DEVELOPMENT COSTS														
POSITIONS														
EXPENDITURES														
OPERATING COSTS														
POSITIONS	4.0	3.0	-	1.0	25	4.0	3.0	-	1.0	25	4.0	4.0		
EXPENDITURES	10,798	8,977	-	1,821	17	618	564	-	54	9	10,191	11,395		
											1,204	12		
TOTAL COSTS														
POSITIONS	4.0	3.0	-	1.0	25	4.0	3.0	-	1.0	25	4.0	4.0		
EXPENDITURES	10,798	8,977	-	1,821	17	618	564	-	54	9	10,191	11,395		
											1,204	12		
					FISCAL YEAR 2002-03				FISCAL YEAR 2003-04					
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%		
PART II: MEASURES OF EFFECTIVENESS														
1. FREQUENCY OF PROPERTY LOSSES					75	127	+	52	69	70	125	+	55	79
2. SEVERITY OF PROPERTY LOSSES					1,000	722	-	278	28	900	2,000	+	1,100	122
3. FREQUENCY OF PROPERTY LOSSES (CRIME)					3	3				3	3			
4. SEVERITY OF PROPERTY LOSSES (CRIME)					1,000		-	1,000	100	40	250	+	210	525
5. FREQUENCY OF LIAB CLAIMS UP TO \$10,000					230	168	-	62	27	220	220			
6. SEVERITY OF LIAB CLAIMS UP TO \$10,000					400	291	-	109	27	260	400	+	140	54
7. FREQUENCY OF AUTO LIABILITY CLAIMS					250	262	+	12	5	260	260			
8. SEVERITY OF AUTO LIABILITY CLAIMS					375	298	-	77	21	350	350			
PART III: PROGRAM TARGET GROUP														
1. NO. OF STATE DEPARTMENTS & AGENCIES					20	20				20	20			
2. NO. OF STATE OFFICIALS & EMPLOYEES					47,400	47,400				47,400	47,400			
3. STATE BLDGS & CONTENTS (\$/MILLION)					11,000	11,000				11,500	11,500			
4. NO. OF STATE VEHICLES					4,500	4,500				4,500	4,500			
PART IV: PROGRAM ACTIVITIES														
1. NO. OF PROPERTY LOSSES PROCESSED.					90	112	+	22	24	90	120	+	30	33
2. NO. OF PROPERTY LOSSES (CRIME) PROCESSED.					2	2				2	2			
3. NO. OF LIABILITY INCIDENTS REPORTED.					120	94	-	26	22	120	120			
4. NO. OF LIABILITY CLAIMS PROCESSED.					825	597	-	228	28	725	725			
5. NO. OF AUTOMOBILE ACCIDENTS REPORTED					250	332	+	82	33	260	260			
6. NO. OF AUTO LIABILITY CLAIMS PROCESSED					140	262	+	122	87	150	200	+	50	33

VARIANCE REPORT NARRATIVE
FY 03 and FY 04

11 03 07 02
AGS 203

PROGRAM TITLE: Risk Management

Part I - EXPENDITURES AND POSITIONS

Variance in number of positions in FY 2002-03 and first quarter FY 2003-04 is due to the since the vacant clerk position. The variance in expenditures during FY 2002-03 resulted because no large property losses were incurred. The variance also results from fewer tort and auto claims being paid. The expected increase in expenditures for FY 2003-04 results from expected payments on two large property losses and expected closure of tort and auto claims.

Part II - MEASURES OF EFFECTIVENESS

The variance in the frequency of property losses in Item 1 was due to more frequent equipment losses. A variance is expected during FY 2003-04 due to an increase in fire damage and equipment losses. In Item 2, the severity of property losses in FY 2002-03 was less than expected due to no large payments being issued. A variance is expected in FY 2003-04 resulting from two large property losses.

No variance in the frequency of property losses (crime) in Item 3 for FY 2002-03. No variance is expected for FY 2003-04. The severity of property losses (crime) in Item 4 for FY 2002-03 was less than expected since no large loss was incurred. A variance is expected in FY 2003-04 resulting from two large losses.

In Item 5, a variance in the frequency of liability claims for FY 2002-03 was due to fewer claims being paid. No variance is expected during FY 2003-04. In Item 6, the variance in the severity of liability claims for FY 2002-03 was due to the decrease in claims paid. No variance is expected for FY 2003-04.

The variance in the frequency of auto claims in Item 9 for FY 2002-03 resulted from an increase in rental vehicle claims and an increase in the auto inventory from FY 2001-02. No other trends could be identified. No variance is expected for FY 2003-04. In Item 10, the variance in the severity of auto claims in FY 2002-03 was less than expected since there were no large losses. No variance in the frequency of auto claims is expected during FY 2003-04.

Part III - PROGRAM TARGET GROUP

There are no variances in the program target group.

Part IV - PROGRAM ACTIVITIES

The variance in the number of property losses processed in Item 1 for FY 2002-03 was due to more departments completing their repairs/replacement purchases within the appropriate fiscal year of the incurred expenditure. A variance is expected for FY 2003-04. In Item 2, no variance for property loss (crime) for FY 2002-03. No variance is expected during FY 2003-04. In Item 3, the variance in the number of liability incidents reported during FY 2002-03 was due to a decrease of reporting of incidents by the departments. No variance in the number of liability incidents is expected during FY 2003-04.

The variance in the number of liability claims processed during FY 2002-03 in Item 4 was due to an decrease in claims submitted by the Department of the Attorney General and fewer claims closed. No variance is expected in FY 2003-04.

The variance in the number of auto accidents reported in Item 5 for FY 2002-03 was due to an increase in reports from departments. An increase in claims received resulting from rental vehicles was noticed and being addressed. No other trends were noticed. A variance is expected during FY 2003-04 based upon FY 2002-03 trend. In Item 6, the variance in the number of auto claims processed for FY 2002-03 resulted from closing claims for no response. A variance is expected in FY 2003-04.

STATE OF HAWAII

PROGRAM TITLE:

LAND SURVEY

PROGRAM-ID:

AGS - 211

PROGRAM STRUCTURE NO: 11030703

VARIANCE REPORT

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES												
OPERATING COSTS												
POSITIONS	18.0	14.0	-	4.0	22	18.0	14.0	-	4.0	22	18.0	18.0
EXPENDITURES	1,060	912	-	148	14	198	198		925	925		
TOTAL COSTS												
POSITIONS	18.0	14.0	-	4.0	22	18.0	14.0	-	4.0	22	18.0	18.0
EXPENDITURES	1,060	912	-	148	14	198	198		925	925		
					FISCAL YEAR 2002-03				FISCAL YEAR 2003-04			
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
PART II: MEASURES OF EFFECTIVENESS												
1. % OF REQUESTS FOR FIELD SURVEYS COMPLETED					100	100			100	100		
2. % OF REQUESTS FOR DESCRIPTIONS OF LANDS MET					60	80	+	20	33	60	60	
3. AVE TIME TO COMPLETE PROCESSING OF LC & FP MAPS					15	15				15	15	
4. AVE TIME FROM SUBMISSN TO COMPL PROCESSG (DAYS)					10	10				10	10	
5. AVE TIME TO COMPLETE RESEARCH, FILE REPORT					40	40				40	40	
PART III: PROGRAM TARGET GROUP												
1. STATE-OWNED LANDS INCL SCH(NO OF REQ-FIELD SURVEY)					25	31	+	6	24	25	25	
2. STATE-OWNED LANDS INCL SCH(NO OF REQ FOR DESCRIP)					110	199	+	89	81	110	110	
3. OWNERS OF LD CT & OTHER LANDS(TOTAL NO MAPS RECD)					310	280	-	30	10	310	310	
4. OWNERS OF BEACHFRONT PROPRTY(TTL NO CERT REQ RECD)					200	128	-	72	36	200	200	
PART IV: PROGRAM ACTIVITIES												
1. NO OF REQUESTS FOR FIELD SURVEYS COMPLETED					23	31	+	8	35	23	23	
2. NO OF REQUESTS FOR DESCRIPTION OF LANDS COMPLETED					60	160	+	100	167	60	60	
3. NO OF LD AND FP MAPS COMPLETED					250	280	+	30	12	250	250	
4. NO OF SHORELINE CERTIFICATIONS COMPLETED					180	128	-	52	29	180	180	

VARIANCE REPORT NARRATIVE
FY 03 and FY 04

11 03 07 03
AGS 211

PROGRAM TITLE: Land Survey

PART I – EXPENDITURES AND POSITIONS

For FY 2002-03, the position variance is due to the vacant Engineering Aid III, Engineering Aid IV, Land Boundary Surveyor II and Land Boundary Surveyor IV positions.

The position variance for the first quarter of FY 2003-04 is due to the vacant Engineering Aid III, Engineering Aid IV, Land Boundary Surveyor III and Land Boundary Surveyor IV positions. The variance for the first quarter expenditures is the result of the vacant Engineering Aid III, Engineering Aid IV, Land Boundary Surveyor II and Land Boundary Surveyor IV positions.

The Engineering Aid III, Engineering Aid IV, Land Boundary Surveyor II and Land Boundary Surveyor IV positions will be filled in the remaining three quarters of FY 03-04. There is no variance for expenditures.

PART II – MEASURES OF EFFECTIVENESS

For FY 2002-03, there is no variance for items 1, 3, 4 and 5.

For FY 2002-03, the variance for item 2 is the result of overtime funding from requesting agencies.

For FY 2003-04, there is no variance.

PART III – PROGRAM TARGET GROUP

For FY 2002-03, the variance for item 2 is due to an increase in requests from government agencies. The variance for items 3 and 4 is the result of a decline in requests due to the economic situation of the State.

For FY 2003-04, there is no variance.

PART IV – PROGRAM ACTIVITIES

For FY 2002-03, the variance for items 1, 2 and 3 is the result of an increase in requests from government agencies. The variance for item 4 is the result of a decrease in requests due to the economic situation of the State.

For FY 2003-04, there is no variance.

STATE OF HAWAII

PROGRAM TITLE:

OFFICE LEASING

PROGRAM-ID:

AGS - 223

PROGRAM STRUCTURE NO: 11030704

VARIANCE REPORT

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES												
OPERATING COSTS												
POSITIONS	4.0	4.0			5.0	4.0	- 1.0	20	5.0	5.0		
EXPENDITURES	17,745	16,262	- 1,483	8	2,379	2,378	- 1		14,956	14,957	1	
TOTAL COSTS												
POSITIONS	4.0	4.0			5.0	4.0	- 1.0	20	5.0	5.0		
EXPENDITURES	17,745	16,262	- 1,483	8	2,379	2,378	- 1		14,956	14,957	1	
					FISCAL YEAR 2002-03				FISCAL YEAR 2003-04			
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
PART II: MEASURES OF EFFECTIVENESS												
1. # LEASING SVCS REQUESTS PROC AS % REQ RECEIVED					98	98			98	98		
2. AV # DAYS FROM REQUEST TO EXECUTED LEASE					195	195			195	195		
3. # LEASE PAYMTS TO VENDORS COMPL BY PAYMT DUE DATE					1,956	1,944	- 12	1	1,956	1,944	- 12	1
PART III: PROGRAM TARGET GROUP												
1. TOTAL NUMBER OF STATE DEPARTMENTS OR AGENCIES					16	16			16	16		
PART IV: PROGRAM ACTIVITIES												
1. NO. OF REQUESTS FOR OFFICE LEASING SERVICES					55	35	- 20	36	50	40	- 10	20
2. NO. OF OFFICE LEASES CONSUMMATED					42	31	- 11	26	35	35		
3. NO. OF OFFICE LEASE PAYMENTS COMPLETED					1,956	1,944	- 12	1	1,956	1,944	- 12	1

VARIANCE REPORT NARRATIVE
FY 03 and FY 04

11 03 07 04
AGS 223

PROGRAM TITLE: Office Leasing

Part I - EXPENDITURES AND POSITIONS

The variance for reduced expenditures for FY 2002-03 was due primarily to two separate budgetary restrictions of \$677,000 and \$357,735. Also, the ceiling for inter-departmental transfers (for lease rent reimbursements from user departments) is over budgeted by \$497,200 since rental expenses have decreased by a similar amount.

There was no significant variance for 1st quarter expenses for FY 2003-04. There is one less position filled than budgeted for, due to a vacancy in the position which was authorized by the legislature last year.

There is no variance between the budgeted and estimated expenditures for the last 3 quarters of FY 03-04.

There is no variance in the budgeted versus actual positions filled for the remaining 3 quarters, as we plan to hire and fill the vacant position.

Part II - MEASURES OF EFFECTIVENESS

There is no variance for Item 1 and Item 2. The difference in Item 3 for

FY 2002-03 and for FY 2003-04 is not significant.

Part III - PROGRAM TARGET GROUP

There is no variance in the number of state department or agencies which the program serviced for FY 2002-03, and no change is expected for FY 2003-04.

Part IV - PROGRAM ACTIVITIES

The variance in Item 1 is due to the number of requests for office leasing services in FY 2002-03 being overstated. We anticipate that there will be a greater number of actual lease requests for FY 2003-04 since there were no additional budget restrictions placed on departments for the current year.

The variance in Item 2 is due to primarily to overestimating the number of lease requests for FY 2002-03. There is no anticipated variance for FY 2003-04.

For Item 3, the variance for FY 2002-03 and FY 2003-04 is insignificant.

STATE OF HAWAII

PROGRAM TITLE:

FACILITIES CONSTRUCTION AND MAINTENANCE

PROGRAM-ID:

PROGRAM STRUCTURE NO: 110308

VARIANCE REPORT

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES												
OPERATING COSTS												
POSITIONS	246.0	227.0	-	19.0	8	244.0	228.0	-	16.0	7	244.0	244.0
EXPENDITURES	20,554	19,179	-	1,375	7	5,258	4,770	-	488	9	15,799	16,287
											488	3
TOTAL COSTS												
POSITIONS	246.0	227.0	-	19.0	8	244.0	228.0	-	16.0	7	244.0	244.0
EXPENDITURES	20,554	19,179	-	1,375	7	5,258	4,770	-	488	9	15,799	16,287
											488	3
					FISCAL YEAR 2002-03				FISCAL YEAR 2003-04			
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
PART II: MEASURES OF EFFECTIVENESS												
1. "PROJS CMPLTD, AVE PRE-BID EST AS%AVE ACTUAL BID-PR					100	117	+	17	17	100	100	
2. AVE VARIANCE BTW ORG EST. CMPL DATES & ACTUAL DATE					1	0.85				1	1	
3. AV COST NON-USER CHG ORDERS AS % AV ACT CONST COST					3	1	-	2	67	3	3	
4. OCCUPANT'S EVAL OF CUSTODIAL SERVICES					80	80				80	80	
5. % REPRS & ALTRTNS PROJS CMPLTD W/IN SCHDL TIMETBLE					100	100				100	100	
6. % EMERG REPRS & ALTRTNS REQST RESP TO W/IN 48 HRS					100	100				100	100	

**Intermediate Level Program
No Narrative
(See Lowest Level Programs for Explanation of Variances)**

STATE OF HAWAII

PROGRAM TITLE:

CONSTRUCTION

PROGRAM-ID:

AGS - 221PROGRAM STRUCTURE NO: **11030801****VARIANCE REPORT**

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04						
	BUDGETED	ACTUAL	±	CHANGE	%	BUDGETED	ACTUAL	±	CHANGE	%	BUDGETED	ESTIMATED	±	CHANGE	%
PART I: EXPENDITURES & POSITIONS															
RESEARCH & DEVELOPMENT COSTS POSITIONS EXPENDITURES															
OPERATING COSTS POSITIONS EXPENDITURES															
TOTAL COSTS POSITIONS EXPENDITURES															
	19.0	13.0	-	6.0	32	18.0	13.0	-	5.0	28	18.0	18.0			
	5,037	3,084	-	1,953	39	996	523	-	473	47	4,149	4,622		473	11
	19.0	13.0	-	6.0	32	18.0	13.0	-	5.0	28	18.0	18.0			
	5,037	3,084	-	1,953	39	996	523	-	473	47	4,149	4,622		473	11
						FISCAL YEAR 2002-03				FISCAL YEAR 2003-04					
						PLANNED	ACTUAL	±	CHANGE	%	PLANNED	ESTIMATED	±	CHANGE	%
PART II: MEASURES OF EFFECTIVENESS															
1. AVER PRE-BID CONST EST AS % AVER BID PRICE						100	117	+	17	17	100	100			
2. AVER VARIANCE BETW ORIG EST & ACT CONST COMPL DATE						1	0.85				1	1			
3. AVER VARIANCE BETW ORIG EST & ACT BID OPENING DATE						3	1.17	-	1	33	3	2	-	1	33
4. AV COST NON-USER CHG ORDERS AS % AV ACT CONST COST						3	1	-	2	67	3	3			
PART III: PROGRAM TARGET GROUP															
1. CAPITAL IMPROV APPROPRIATIONS (IN \$100,000)						3,987	3,987				2,000	1,302	-	698	35
2. REPAIRS & MAINTENANCE OF PUBLIC SCHOOLS (\$100,000)						10	2.50	-	7	70	20	12	-	8	40
3. PUBLIC BLDGS, REPAIRS & ALTERATIONS (IN \$100,000)						1	0.47				2	1	-	1	50
PART IV: PROGRAM ACTIVITIES															
1. TTL COSTS OF FAC OR PROJECT UNDER DESIGN (\$MILL)						500	202	-	298	60	500	300	-	200	40
2. PROJ UNDER CONSTRUCTION DURING FY (EST COST \$MILL)						300	209	-	91	30	300	300			

VARIANCE REPORT NARRATIVE
FY 03 and FY 04

11 03 08 01
AGS 221

PROGRAM TITLE: Construction

Part I - EXPENDITURES AND POSITIONS

The variance in positions for FY 2002-03 is due to six vacant positions. Similarly, the variance in the first quarter of FY 2003-04 is due to five vacant positions. No variance is anticipated in the three quarters ending 6/30/04 of FY 2003-04 as the positions are expected to be filled.

The variance in expenditures for FY 2002-03 is due primarily to non-general fund actual expenditures being significantly lower than the budgeted expenditure ceiling. For FY 2002-03 and the first quarter of FY 2003-04, the variance is attributed to less than anticipated expenditures for motor vehicle rentals and mileage, accrued vacation and sick leave, and supplies, services and equipment for Capital Improvement Program projects.

In the three quarters ending 6/30/04, expenditures are expected to increase due to cyclic workload during those quarters and planned expenditures that did not occur during the first quarter.

Part II - MEASURES OF EFFECTIVENESS

The variance in Item 1 indicates that bids received in FY 2002-2003 were on the average 17% lower than pre-bid construction estimates which were developed for the most part under pre-September 2001 economic conditions. With the stabilization somewhat in the construction economy, no variance in the measure for FY 2003-2004 is estimated.

The variance for Item 2 in FY 2002-03 is insignificant.

The variance for Item 3 in FY 2002-03 reflects program efficiency in compressing the actual bid opening dates from three months from the original estimated date to the actual average time of 1.17 months.

The variance for Item 4 in FY 2002-2003 is attributed to increased program oversight before and during construction that reduced the average cost of non-user change orders from the planned 3% of the average actual construction cost to 1%.

Part III - PROGRAM TARGET GROUP

The variance for Item 1 for FY 2003-04 for Capital Improvement Appropriations is due to an overestimation of legislative funding.

The variances in Items 2 and 3 for both fiscal years reflect lower than estimated expenditures for repairs and maintenance of public schools and repairs and alterations of public buildings delegated to the program by the Central Services Division.

Part IV - PROGRAM ACTIVITIES

The variances in Item 1 for both years and for Item 2 for FY 2002-2003 are due to an overestimation in planned costs. No variance is anticipated for FY 2003-04 for Item 2.

STATE OF HAWAII

PROGRAM TITLE:

CUSTODIAL SERVICES

PROGRAM-ID:

AGS - 231

PROGRAM STRUCTURE NO: 11030802

VARIANCE REPORT

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES												
OPERATING COSTS												
POSITIONS	155.5	145.5	-	10.0	6	154.5	147.5	-	7.0	5	154.5	154.5
EXPENDITURES	11,813	12,282	469	4	3,413	3,413			8,594	8,594		
TOTAL COSTS												
POSITIONS	155.5	145.5	-	10.0	6	154.5	147.5	-	7.0	5	154.5	154.5
EXPENDITURES	11,813	12,282	469	4	3,413	3,413			8,594	8,594		
					FISCAL YEAR 2002-03				FISCAL YEAR 2003-04			
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
PART II: MEASURES OF EFFECTIVENESS												
1. SERVICE EVALUATIONS FROM INTERNAL INSPECTIONS					80	80			80	80		
2. OCCUPANT'S EVALUATION OF CUSTODIAL SERVICES					80	80			80	80		
PART III: PROGRAM TARGET GROUP												
1. TOTAL ASSIGNED BUILDINGS					78	78			78	78		
PART IV: PROGRAM ACTIVITIES												
1. TOTAL NUMBER OF WORK STATIONS (JANITOR II)					132	132			132	132		
2. NUMBER OF SQUARE FEET SERVICED (IN MILLIONS)					2.7	2.7			2.7	2.7		

VARIANCE REPORT NARRATIVE
FY 03 and FY 04

11 03 08 02
AGS 231

PROGRAM TITLE: Custodial Services

Part I - EXPENDITURES AND POSITIONS

The variance in expenditures for Fiscal Year 2002-03 is due to a \$358,986 collective bargaining appropriation, and the transfer-in of \$20,000 in departmental savings to cover salary shortfalls and \$107,735 to cover deficits in utility payments.

There is no variance for the 1st Quarter of Fiscal Year 2003-04 or for the remaining three quarters ending June 30, 2004.

A variance of 10 positions for Fiscal Year 2002-03 is due to delays-in hiring attributed to Executive Memo 02-07, which required prior approval from the Governor to fill vacant positions. As of November 3, 2003, 5 of the 7 current vacancies for the 1st Quarter of Fiscal Year 2003-04 will be filled. Based on health and safety requirements, the program plans to fill all vacant positions by the end of the fiscal year.

Part II - MEASURES OF EFFECTIVENESS

Based on the results of an annual customer satisfaction survey and internal inspections, there is no variance in the Measures of Effectiveness.

Part III - PROGRAM TARGET GROUPS

There is no variance in the Program Target Groups.

Part IV - PROGRAM ACTIVITIES

There is no variance in Program Activities.

STATE OF HAWAII

PROGRAM TITLE:

GROUNDS MAINTENANCE

PROGRAM-ID:

AGS - 232PROGRAM STRUCTURE NO: **11030803****VARIANCE REPORT**

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES												
OPERATING COSTS												
POSITIONS	41.5	39.5	-	2.0	5	41.5	39.5	-	2.0	5	41.5	41.5
EXPENDITURES	1,261	1,313	52	4	322	322			1,022	1,022		
TOTAL COSTS												
POSITIONS	41.5	39.5	-	2.0	5	41.5	39.5	-	2.0	5	41.5	41.5
EXPENDITURES	1,261	1,313	52	4	322	322			1,022	1,022		
					FISCAL YEAR 2002-03				FISCAL YEAR 2003-04			
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
PART II: MEASURES OF EFFECTIVENESS												
1. EVALUATIONS FROM INTERNAL INSPECTIONS					85	85			85	85		
PART III: PROGRAM TARGET GROUP												
1. TOTAL NUMBER OF FACILITIES					115	115			119	119		
PART IV: PROGRAM ACTIVITIES												
1. NUMBER OF GROUNDSKEEPING POSITIONS					34	34			34	34		
2. TOTAL ACREAGE SERVICED					98.3	98.3			106.3	106.3		
3. NUMBER OF REFUSE COLLECTION SITES					26	26			28	28		

VARIANCE REPORT NARRATIVE
FY 03 and FY 04

PROGRAM TITLE: Grounds Maintenance

11 03 08 03
AGS 232

Part I - EXPENDITURES AND POSITIONS

The variance in expenditures for Fiscal Year 2002-03 is due to a \$70,418 collective bargaining appropriation and the transfer-in of \$17,000 in departmental savings to cover payroll shortfalls. There is no variance in the 1st Quarter or for the remaining three quarters of Fiscal Year 2003-04.

A variance of 2 positions for Fiscal Year 2002-03 and for 1st Quarter of Fiscal Year 2003-04 is due to normal attrition and is not significant. Based on operational requirements, the program plans to fill all of its vacant positions by the end of the fiscal year to maintain a current level of service.

Part II - MEASURES OF EFFECTIVENESS

There is no variance in the Measures of Effectiveness.

Part III - PROGRAM TARGET GROUPS

There is no variance in Program Target Groups.

Part IV - PROGRAM ACTIVITIES

There is no variance in Program Activities.

STATE OF HAWAII

PROGRAM TITLE:

BUILDING REPAIRS AND ALTERATIONS

PROGRAM-ID:

AGS - 233PROGRAM STRUCTURE NO: **11030804****VARIANCE REPORT**

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES												
OPERATING COSTS												
POSITIONS	30.0	29.0	-	1.0	3	30.0	28.0	-	2.0	7	30.0	30.0
EXPENDITURES	2,443	2,500	57	2	527	512	15	3	2,034	2,049	15	1
TOTAL COSTS												
POSITIONS	30.0	29.0	-	1.0	3	30.0	28.0	-	2.0	7	30.0	30.0
EXPENDITURES	2,443	2,500	57	2	527	512	15	3	2,034	2,049	15	1
					FISCAL YEAR 2002-03				FISCAL YEAR 2003-04			
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
PART II: MEASURES OF EFFECTIVENESS												
1. % OF PROGRAM PROJECTS COMPLETED WITHIN TIMETABLE					100	100			100	100		
2. % EMERGENCY REP & ALTERATNS RESPONDED TO IN 48 HRS					100	100			100	100		
PART III: PROGRAM TARGET GROUP												
1. TOTAL NUMBER OF ASSIGNED STATE BUILDINGS					164	164			164	165	+	1
PART IV: PROGRAM ACTIVITIES												
1. TTL NO. OF NORMAL REPAIRS & ALTERATIONS PROJECTS					3,300	3,481	+	181	5	3,300	3,350	+
2. TTL NO. OF EMERGENCY PROJECTS					1,000	954	-	46	5	1,000	1,015	+

VARIANCE REPORT NARRATIVE
FY 03 and FY 04

11 03 08 04
AGS 233

PROGRAM TITLE: Building Repairs and Alterations

Part I - EXPENDITURES AND POSITIONS

A variance in expenditures for Fiscal Year 2002-03 is attributed to a \$112,805 collective bargaining appropriation and transfer-in of \$53,000 for salary shortfalls, offset by the transfer-out of \$107,735 to AGS-231 to cover utility payments. There is no significant variance in expenditures for the 1st Quarter of Fiscal Year 2003-04. For the remaining three quarters of Fiscal Year 2003-04, the variance is attributed to the expenditure of reverted funds from the 1st quarter.

The variance in position count of one (1) position for Fiscal Year 2002-03 is not significant. There are 2 vacancies for the 1st Quarter of Fiscal Year 2003-04 which is not significant, and no vacancies are projected for the remaining three quarters.

Part II - MEASURES OF EFFECTIVENESS

There is no variance in the Measures of Effectiveness.

Part III - PROGRAM TARGET GROUPS

There is no variance in Program Target Groups for Fiscal Year 2002-03 and no significant variance for Fiscal Year 2003-04.

Part IV - PROGRAM ACTIVITIES

The variance in Program Activities for Total Number of Normal Repairs and Alteration Projects and Emergency Projects is not significant for Fiscal Year 2002-03 and Fiscal Year 2003-04.

STATE OF HAWAII

PROGRAM TITLE:

PURCHASING AND SUPPLIES

PROGRAM-ID:

PROGRAM STRUCTURE NO: **110309****VARIANCE REPORT**

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04						
	BUDGETED	ACTUAL	± CHANGE		%	BUDGETED	ACTUAL	± CHANGE		%	BUDGETED	ESTIMATED	± CHANGE		%
PART I: EXPENDITURES & POSITIONS															
RESEARCH & DEVELOPMENT COSTS															
POSITIONS															
EXPENDITURES															
OPERATING COSTS															
POSITIONS	26.0	25.0	-	1.0	4	26.0	25.0	-	1.0	4	26.0	26.0			
EXPENDITURES	2,033	2,010	-	23	1	638	615	-	23	4	1,464	1,437	-	27	2
TOTAL COSTS															
POSITIONS	26.0	25.0	-	1.0	4	26.0	25.0	-	1.0	4	26.0	26.0			
EXPENDITURES	2,033	2,010	-	23	1	638	615	-	23	4	1,464	1,437	-	27	2
						FISCAL YEAR 2002-03				FISCAL YEAR 2003-04					
						PLANNED	ACTUAL	± CHANGE		%	PLANNED	ESTIMATED	± CHANGE		%
PART II: MEASURES OF EFFECTIVENESS															
1. TOTAL PRICE LIST PROCUREMENT DIFFERENTIALS (\$000)						4,200	2,320	-	1,880	45	4,200	2,500	-	1,700	40
2. TOTAL SERVICE PROCUREMENT DIFFERENTIALS (\$000)						4,000	2,728	-	1,272	32	4,000	3,000	-	1,000	25

Intermediate Level Program
No Narrative
(See Lowest Level Programs for Explanation of Variances)

STATE OF HAWAII

PROGRAM TITLE: **STATE PROCUREMENT**PROGRAM-ID: **AGS - 240**PROGRAM STRUCTURE NO: **11030901****VARIANCE REPORT**

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04					
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%		
PART I: EXPENDITURES & POSITIONS														
RESEARCH & DEVELOPMENT COSTS														
POSITIONS														
EXPENDITURES														
OPERATING COSTS														
POSITIONS														
EXPENDITURES														
TOTAL COSTS														
POSITIONS														
EXPENDITURES														
	21.0	20.0	-	1.0	5	21.0	20.0	-	1.0	5	21.0	21.0		
	1,044	1,023	-	21	2	245	245				848	798		
											-	50		
												6		
	21.0	20.0	-	1.0	5	21.0	20.0	-	1.0	5	21.0	21.0		
	1,044	1,023	-	21	2	245	245				848	798		
											-	50		
												6		
					FISCAL YEAR 2002-03				FISCAL YEAR 2003-04					
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%		
PART II: MEASURES OF EFFECTIVENESS														
1. TOTAL SERVICE PROCUREMENT DIFFERENTIALS (\$1000)					4,000	2,728	-	1,272	32	4,000	3,000	-	1,000	25
2. TOTAL GOODS PROCUREMENT DIFFERENTIALS (\$1000)					1,400	2,216	+	816	58	1,400	2,300	+	900	64
3. TOTAL PRICE LIST PROCUREMENT DIFFERENTIALS (\$1000)					4,200	2,320	-	1,880	45	4,200	2,500	-	1,700	40
4. PROPERTY TRANSFERRED BETWEEN AGENCIES (\$1000)					7,400	4,875	-	2,525	34	7,400	5,000	-	2,400	32
5. PROPERTY ADDED TO THE INVENTORY (\$1000)					487,000	206,294	-	280,706	58	487,000	210,000	-	277,000	57
6. THREE YEAR AVERAGE OF INVENTORY REPORTING ERRORS														
7. HLTH HUMAN SVS SOLICITATION LESS RECONSIDERATHN (%)														
8. HLTH HUMAN SVS SOLICITATION LESS PROTESTS (%)														
PART III: PROGRAM TARGET GROUP														
1. AGENCIES USING PURCHASING SVS					11	12	+	1	9	11	12	+	1	9
2. JURISDICTIONS PARTICIPATING IN COOP PURCHASES					19	19				19	19			
3. STATEWIDE INVENTORY ACCOUNTS					1,045	1,063	+	18	2	1,045	1,063	+	18	2
4. AGENCIES ISSUING HLTH HUMANS SVS SOLICITATIONS					35	33	-	2	6	40	40			
PART IV: PROGRAM ACTIVITIES														
1. NUMBER OF AWARDS FOR PRICE LIST					200	115	-	85	43	200	100	-	100	50
2. NUMBER OF AWARDS FOR SERVICE PROCUREMENT					125	125				125	125			
3. NUMBER OF AWARDS FOR GOODS PROCUREMENT					200	144	-	56	28	200	150	-	50	25
4. NUMBER OF ITEMS TRANSFERRED BETWEEN AGENCIES					1,600	2,568	+	968	61	1,600	2,600	+	1,000	63
5. NUMBER OF INVENTORY ITEMS AUDITED AND PROCESSED					64,000	79,656	+	15,656	24	67,465	68,000	+	535	1
6. NUMBER OF COMP AND RESTRICT HLTH HMN SOLICITATIONS					170	195	+	25	15	145	195	+	50	34

VARIANCE REPORT NARRATIVE
FY 03 and FY 04

11 03 09 01
AGS 240

PROGRAM TITLE: State Procurement

PART I - EXPENDITURES AND POSITIONS

No significant variances for FY 03 and FY 04 for general funded expenditures and positions. No expenditures, however, were made from the special fund in AGS 240/JA. Establishment of a revolving fund to support electronic procurement initiatives was not approved by the Legislature; therefore, the special fund could not be used. Request to remove this account from the executive budget is being processed.

PART II - MEASURES OF EFFECTIVENESS

For items 1 and 3, the variances were due to the decrease in the dollar value of procurements. The lower dollar value of procurements are expected to continue in FY 04.

The variance in item 2 for FY 03 was attributed to an increase in the dollar value of procurements for goods. Similar results are expected in FY 04.

For item 4, the variance was due to less new equipment purchases. Also, although the number of items transferred increased, the dollar value of the transfers decreased. This trend is expected to continue in FY 04.

The value of property added to the inventory in item 5 dropped significantly in FY 03 due to the rise of the equipment reporting threshold from \$500 to \$1,000. Similar results are expected in FY 04.

No significant variances for items 6, 7 and 8 for FY 03 and FY 04.

PART III - PROGRAM TARGET GROUP

No significant variances for all items for FY 03 and FY 04.

PART IV - PROGRAM ACTIVITIES

The variances for item 1 and 3 for FY 03 were due to a decrease in the number of vendors receiving awards. The trend is expected to continue in FY 04.

For item 4, the variance can be attributed to the success of the State Procurement Office's Excess State Property List and budget constraints. Similar results are expected in FY 04.

The variance for item 5 for FY 03 stemmed from a reorganization of equipment responsibilities in the Department of Human Services. A significant variance is not anticipated for FY 04.

The variance in item 6 for FY 03 was due to the issuance of additional solicitations for clients. A similar variance is expected for FY 04.

No significant variances for items 2 for FY 03 and FY 04.

STATE OF HAWAII

PROGRAM TITLE:

SURPLUS PROPERTY MANAGEMENT

PROGRAM-ID:

AGS - 244PROGRAM STRUCTURE NO: **11030902****VARIANCE REPORT**

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04					
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%		
PART I: EXPENDITURES & POSITIONS														
RESEARCH & DEVELOPMENT COSTS														
POSITIONS														
EXPENDITURES														
OPERATING COSTS														
POSITIONS														
EXPENDITURES														
TOTAL COSTS														
POSITIONS														
EXPENDITURES														
	5.0	5.0			5.0	5.0			5.0	5.0				
	989	987	-	2	393	370	-	23	6	616	639	23	4	
	5.0	5.0			5.0	5.0			5.0	5.0				
	989	987	-	2	393	370	-	23	6	616	639	23	4	
					FISCAL YEAR 2002-03				FISCAL YEAR 2003-04					
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%		
PART II: MEASURES OF EFFECTIVENESS														
1. SURPLUS PROPERTY TRANSFERRED TO DONEES (\$1000)					3,525	5,264	+	1,739	49	3,550	3,400	-	150	4
2. RATIO SVS FEE OVER PROPERTY TRANSFER VALUE (%)					3.5	3.6				3.5	3.6			
3. ACTUAL DONEES AS % OF ELIGIBLE DONEES					82	83	+	1	1	90	83	-	7	8
PART III: PROGRAM TARGET GROUP														
1. NON-PROFIT TAX-EXMPT EDUC & PUBLIC HTH INSTUTNS					426	426				490	450	-	40	8
2. PUBLIC AGENCY THAT SERVES OR PROMOTES PUB PURPOSE					24	24				25	24	-	1	4
3. MINORITY OWNED 8A CONTRACTORS					400	300	-	100	25	400	300	-	100	25
PART IV: PROGRAM ACTIVITIES														
1. FED PERSONAL PROP RECEIVED (LINE ITEMS)					1,787	1,809	+	22	1	1,800	1,810	+	10	1
2. FED PERSONAL PROP DONATED (LINE ITEMS)					2,823	2,574	-	249	9	3,000	2,800	-	200	7
3. ACQ OF STATE PROP FOR UTIL/SALE (LINE ITEMS)					100	94	-	6	6	100	95	-	5	5
4. DIST OF STATE PROP FOR REUTIL (LINE ITEMS)					100	90	-	10	10	150	90	-	60	40
5. STATE PROP DISP OF BY PUBLIC SALE (LINE ITEMS)										120		-	120	100

VARIANCE REPORT NARRATIVE
FY 03 and FY 04

PROGRAM TITLE: Surplus Property Management

11 03 09 02
AGS 244

PART I - EXPENDITURES AND POSITIONS

No significant variances for FY 03 and FY 04.

PART II - MEASURES OF EFFECTIVENESS

Variance for item 1 for FY 03 attributed to the transfers of a few high valued heavy equipment items to donees. No significant variance anticipated for FY 04.

No significant variances for items 2 and 3 for FY 03 and FY 04.

PART III - PROGRAM TARGET GROUP

Item 3 is a new measure and the planned amount was overly optimistic. The lower amount of participants from minority owned 8A contracts in FY 03 is also projected for FY 04.

No significant variances for items 1 and 2 for FY 03 and FY 04.

PART IV - PROGRAM ACTIVITIES

The variance for item 4 for FY 03 can be attributed to the success of the Excess State Property List. Minimal State properties continue to be received for reutilization. This trend is expected to continue in FY 04.

Similar to item 4, a variance is projected for item 5 for FY 04. No public sales of state properties are anticipated in FY 04 due to the success of reutilizing programs.

No significant variances for items 1 to 3 for FY 03 and FY 04.

STATE OF HAWAII

PROGRAM TITLE:

MOTOR POOL

PROGRAM-ID:

AGS - 251

PROGRAM STRUCTURE NO: 110310

VARIANCE REPORT

REPORT V61

11/24/03

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04						
	BUDGETED	ACTUAL	± CHANGE		%	BUDGETED	ACTUAL	± CHANGE		%	BUDGETED	ESTIMATED	± CHANGE		%
PART I: EXPENDITURES & POSITIONS															
RESEARCH & DEVELOPMENT COSTS															
POSITIONS															
EXPENDITURES															
OPERATING COSTS															
POSITIONS	13.5	11.0	-	2.5	19	13.5	11.5	-	2.0	15	13.5	12.5	-	1.0	7
EXPENDITURES	2,180	1,917	-	263	12	375	357	-	18	5	1,805	1,823	-	18	1
TOTAL COSTS															
POSITIONS	13.5	11.0	-	2.5	19	13.5	11.5	-	2.0	15	13.5	12.5	-	1.0	7
EXPENDITURES	2,180	1,917	-	263	12	375	357	-	18	5	1,805	1,823	-	18	1
						FISCAL YEAR 2002-03				FISCAL YEAR 2003-04					
						PLANNED	ACTUAL	± CHANGE		%	PLANNED	ESTIMATED	± CHANGE		%
PART II: MEASURES OF EFFECTIVENESS															
1. AVERAGE OPERATING COST PER VEHICLE MILE (CENTS)						107	86	-	21	20	55	86	+	31	56
2. TOTAL FLEET MILEAGE PER YEAR (HUNDRED THOUSAND)						21	22	+	1	5	19	22	+	3	16
3. PERCENTAGE OF REVENUES OVER EXPENDITURES						96	108	+	12	13	141	108	-	33	23
4. ACCIDENTS PER 1,000,000 FLEET MILES						19	27	+	8	42	3	25	+	22	733
PART III: PROGRAM TARGET GROUP															
1. STATE AGENCIES UTILIZING MOTOR POOL & NON-MP VEH						21	21				21	21			
PART IV: PROGRAM ACTIVITIES															
1. NUMBER OF VEHICLES						335	325	-	10	3	290	330	+	40	14
2. MOTOR POOL FLEET RENTAL REVENUES (000)						1,705	1,789	+	84	5	1,457	1,800	+	343	24
3. OTHER NON-MOTOR POOL VEHICLE SERVICE REV (000)						215	198	-	17	8	185	198	+	13	7

VARIANCE REPORT NARRATIVE
FY 03 and FY 04

PROGRAM TITLE: Motor Pool

11 03 10
AGS 251

Part I - EXPENDITURES AND POSITIONS

In Fiscal Year 2002-03, the position variance was a result of the vacant Automotive Services Administrator, Automotive Mechanic Helper and Automotive Technician positions. The variance in program expenditures was a result of savings in payroll cost (2.50 vacant positions), savings from the "M" account (80K) and reduction in other "B" expenditures.

In the first quarter of Fiscal Year 2003-04, the position variance is due to the vacant Automotive Mechanic Helper and Automotive Technician positions. The variance in expenditures is considered insignificant. The program expects to fill the Automotive Mechanic Helper position in FY 2003-04.

Part II - MEASURES OF EFFECTIVENESS

In Fiscal Year 2002-03, the variance in item 1 was a result of decreased expenditures. In Fiscal Year 2003-04, the variance in item 1 is due to under estimating the planned average operating cost per vehicle mile. In Fiscal Year 2002-03, the variance of item 2 is considered insignificant. In Fiscal Year 2003-04, the variance of item 2 is due to under estimating fleet miles for the assignment/rental of vehicles. (Although the number of agencies serviced remains unchanged). The variance of item 3 for both fiscal years is due to increased expenditure to purchase vehicles. The variance of item 4 for both fiscal years is due to redefining "accident" to sustained damage to vehicle or property or resulted in injury per 1,000,000 miles [when the item (item 4)

Part III - PROGRAM TARGET GROUP

There is no variance in item 1 for both fiscal years.

Part IV - PROGRAM ACTIVITIES

In Fiscal year 2002-03, more vehicles were disposed than planned. In FY 2003-04, the variance in item 1 is due to the growth of the motor pool fleet (290-330). In Fiscal Year 2002-03, the variance in item 2 is considered insignificant. In Fiscal Year 2003-04, the variance in item 2 is due to increased revenues from the increase in motor pool accounts for the assignment/rental of vehicles.

For Fiscal Year 2002-03, the variance in item 3 is due to over estimating revenues from other non-motor vehicle services. For Fiscal Year 2003-04, the variance is due to revenues from other non-motor vehicle services exceeding expectations.

VARIANCE REPORT NARRATIVE
FY 03 and FY 04

PROGRAM TITLE: Parking Control

11 03 11
AGS 252

Part I - EXPENDITURES AND POSITIONS

In Fiscal Year 2002-03, the variance was a result of savings in payroll resulting from vacancies in the Automotive Services Administrator, and two Parking & Security Officer I positions and savings from Repair & Maintenance projects. The position variance (2.50) is due to vacancies in the Automotive Services Administrator and two (2) Parking & Security Officer I positions.

In the first quarter of Fiscal Year 2003-04, there was no variance in expenditures. The position variance is due to two (2.00) vacant Parking & Security Officer I positions. The program expects to fill both vacancies in Fiscal Year 2003-04.

Part II - MEASURES OF EFFECTIVENESS

In both fiscal years, the variance in item 1 is considered insignificant. In Fiscal Year 2002-03, the variance in item 2 is due to decreased expenditures relative to program revenues. In Fiscal Year 2003-04, the variance in item 2 is due to the completion of planned R&M Projects which will increase program expenditures relative to program revenues.

Part III - PROGRAM TARGET GROUP

In Fiscal Year 2002-03, the variance is considered insignificant. In Fiscal Year 2003-04, the large variance is due to inclusions of daily parking permits sold to the number of parking permits issued.

Part IV - PROGRAM ACTIVITIES

There is no variance in item 1 in Fiscal Year 2002-03. In Fiscal Year 2003-04, the variance in item 1 is considered insignificant.

In Fiscal Year 2002-03, the variance in item 2 is due to decreased enforcement due to two (2.00) vacant Parking & Security Officer positions. The program expects to fill both Parking & Security Officer positions in Fiscal Year 2003-04.

In both fiscal years, the variance in item 3 is due to overestimating the revenues from employee parking and public parking revenues.

PROGRAM TITLE:

RECORDS MANAGEMENT

PROGRAM-ID:

AGS - 111

PROGRAM STRUCTURE NO: 110312

VARIANCE REPORT

REPORT V61

11/24/03

	FISCAL YEAR 2002-03					THREE MONTHS ENDED 9-30-03					NINE MONTHS ENDING 6-30-04				
	BUDGETED	ACTUAL	± CHANGE		%	BUDGETED	ACTUAL	± CHANGE		%	BUDGETED	ESTIMATED	± CHANGE		%
PART I: EXPENDITURES & POSITIONS															
RESEARCH & DEVELOPMENT COSTS POSITIONS EXPENDITURES															
OPERATING COSTS POSITIONS EXPENDITURES	19.0 703	16.0 673	- -	3.0 30	16 4	19.0 186	16.0 184	- -	3.0 2	16 1	19.0 590	19.0 591		1	
TOTAL COSTS POSITIONS EXPENDITURES	19.0 703	16.0 673	- -	3.0 30	16 4	19.0 186	16.0 184	- -	3.0 2	16 1	19.0 590	19.0 591		1	
	FISCAL YEAR 2002-03					FISCAL YEAR 2003-04									
	PLANNED	ACTUAL	± CHANGE		%	PLANNED	ESTIMATED	± CHANGE		%					
PART II: MEASURES OF EFFECTIVENESS															
1. % OF STATE RECORD SERIES UNDER CONTROL SCHEDULE	29	29				29	29								
2. RECORDS DISPOSED AS % SCHEDULED FOR DISPOSAL	95	95				95	95								
PART III: PROGRAM TARGET GROUP															
1. VOL(CU FT)OF RECORDS IN STATE AGENCIES	434,665	434,665				456,398	456,398								
2. HISTORIC RECRDS IN STATE AGENCIES AT END FY(CU FT)	21,733	21,733				22,820	22,820								
3. REC IN ARCH WHICH SHOULD BE UNDER CONTROL(CU FT)	1,847	1,778	-	69	4	1,786	1,711	-	75	4					
4. RECORDS SERIES IN STATE AGENCIES	5,193	5,196	+	3		5,268	5,268								
PART IV: PROGRAM ACTIVITIES															
1. SCHEDULING RECORDS-RECORDS SERIES SCHEDULED	75	78	+	3	4	75	75								
2. MICROFILMING RECORDS-(CU FT)FILMED	100		-	100	100	100	100								
3. STORING RECORDS IN RECORDS CNTR(CU FT)STORED	33,793	35,622	+	1,829	5	34,793	40,122	+	5,329	15					
4. RESEARCHERS USING REC UNDER DIV CONTROL(NO PRSN)	11,000	10,457	-	543	5	11,000	11,000								
5. CONT OF HIST REC BY AIDS(CU FT/PLACED UNDR CONTRL)	191	228	+	37	19	191	170	-	21	11					

VARIANCE REPORT NARRATIVE
FY 03 and FY 04

PROGRAM TITLE: Records Management

11 03 12
AGS 111

Part I—EXPENDITURES AND POSITIONS

The vacant Archivist IV, Clerk Typist II, and Microphotographer V positions account for the variance in position count and actual budget expenditures. We are in the process of filling the Archivist IV and Clerk Typist II positions. Since actual microfilming will now be contracted, the section needs to be re-organized to provide one full-time, support-services staff to accession inventory and inspect new and stored microforms.

Part II—MEASURES OF EFFECTIVENESS

There is no variance in Items 1 and 2 for FY 2002-2003 and none is anticipated for FY 2003-2004.

Part III—PROGRAM TARGET GROUPS

There are no variances for items Item 1 and 2 for FY 2002-2003 and none is anticipated for FY 2003-2004.

The variance in Item 3 for FY 2002-2003 is due to processing a larger volume of records than anticipated. The variance for FY 2003-2004 reflects this adjustment.

The variance in Item 4 for FY 2002-2003 is insignificant and none is anticipated for FY 2003-2004.

Part IV—PROGRAM ACTIVITIES

The slight variance in Item 1 for FY 2002-2003 exceeds the planned figure by 3 and is insignificant. No variance is anticipated for FY 2003-2004.

The variance in Item 2 for FY 2002-2003 is due to the retirement of a Microphotographer. No variance for FY 2003-2004 is expected.

The variance for Item 3 in FY 2002-2003 indicates that 1,829 more cubic feet are being stored than was planned for. More agencies are using our services and currently-storing agencies are transmitting slightly larger volumes. The variance for FY 2003-2004 reflects this adjustment.

There is no significant variance in Item 4 for FY 2002-2003 and none is anticipated for FY 2003-2004. The variance for Item 5 for FY 2002-2003 is due to processing a larger volume of records than anticipated. The variance for Item 5 for FY 2003-2004 is due to change in priorities for FY 2003-2004.

STATE OF HAWAII

VARIANCE REPORT

REPORT V61

PROGRAM TITLE: GENERAL ADMINISTRATIVE SERVICES

11/24/03

PROGRAM-ID: AGS - 901

PROGRAM STRUCTURE NO: 110313

	FISCAL YEAR 2002-03				THREE MONTHS ENDED 9-30-03				NINE MONTHS ENDING 6-30-04						
	BUDGETED	ACTUAL	± CHANGE		%	BUDGETED	ACTUAL	± CHANGE		%	BUDGETED	ESTIMATED	± CHANGE		%
PART I: EXPENDITURES & POSITIONS															
RESEARCH & DEVELOPMENT COSTS															
POSITIONS															
EXPENDITURES															
OPERATING COSTS															
POSITIONS															
EXPENDITURES															
TOTAL COSTS															
POSITIONS															
EXPENDITURES															
					FISCAL YEAR 2002-03				FISCAL YEAR 2003-04						
					PLANNED	ACTUAL	± CHANGE		%	PLANNED	ESTIMATED	± CHANGE		%	
					NA	NA				NA	NA				
PART II: MEASURES OF EFFECTIVENESS															
1. QUANTIF MOE NOT DEVELOPED FOR PROGRAM															
PART III: PROGRAM TARGET GROUP															
1. DEPART ADMINISTRATION-NUMBER					1	1				1	1				
2. DIVISION-NUMBER					8	8				8	8				
3. ADMINISTRATIVE ONLY-NUMBER					5	7	+	2	40	5	7	+	2	40	
PART IV: PROGRAM ACTIVITIES															
1. RENDERS ADMINISTRATIVE SERVICES-PER CENT					100	100				100	100				
2. PROVIDES TECH AND CLER SUPPORT SERV-POSITIONS					41	41				39	41	+	2	5	

VARIANCE REPORT NARRATIVE
FY 03 and FY 04

PROGRAM TITLE: General Administrative Services

11 03 13
AGS-901

Part I - EXPENDITURES AND POSITIONS

There were no significant variances in the number of positions for fiscal year 2003-03 or the first quarter of fiscal year 2003-04

The variance in expenditures for fiscal year 2002-03 was due to collective bargaining allocations and vacation payouts.

There is no variance in the expenditures for fiscal year 2003-04.

Part II - MEASURES OF EFFECTIVENESS

Quantifiable measures of effectiveness have not been developed for this program.

Part III - PROGRAM TARGET GROUP

There are no variances for fiscal year 2002-03 and 2003-04 for item 1 and 2. For item 3, the variance in fiscal years 2002-03 and 2003-04 is due to Act 117 which administratively attached the Office of Elections and Campaign Spending Commission to DAGS.

Part IV - PROGRAM ACTIVITIES

There is no variance for fiscal year 2002-03 and the variance for 2003-04 is insignificant.

